This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended, and, subject to certain exceptions, may not be offered, sold or delivered, directly or indirectly in the United States of America, its territories or possessions. See "Plan of Distribution".

INITIAL PUBLIC OFFERING November 17, 2014

PROSPECTUS

MONTEGO RESOURCES INC.

(the "**Company**" or "**Montego**")

OFFERING:
4,500,000 Common Shares
at a price of $0.10 per Share

Montego Resources Inc. (the "**Company**" or "**Montego**") is hereby offering on a commercially reasonable efforts basis, to purchasers resident in the Provinces of British Columbia and Alberta through its agent, Canaccord Genuity Corp., (the "**Agent**"), 4,500,000 Common Shares (the "**Shares**") at a price of $0.10 per Share (the "**Offering**"). The offering price of the Shares and the terms of the Offering have been determined by negotiation between the Company and the Agent.

The Offering hereunder is subject to a minimum subscription of 4,500,000 Shares for gross proceeds of $450,000. In the event such subscriptions are not obtained within 90 days of the issuance of a receipt for a final prospectus, the distribution will cease, unless an amendment is filed and receipted, and all funds raised hereunder will be retained by the Agent and refunded to investors without interest or deduction, unless the subscribers have otherwise instructed the Agent.

	Number of Securities	Price to Public	Agent's Commission(1)	Proceeds Available to the Company(2)
Per Share	One	$0.10	$0.01	$0.09
Offering	4,500,000	$450,000	$45,000	$405,000

Notes:

1. The Company has agreed to pay the Agent a cash commission equal to 10% of the gross proceeds from the sale of Shares under the Offering (the "**Agent's Commission**"), and to grant the Agent non-transferable agent's warrants (the "**Agent's Warrants**") entitling the Agent to purchase 450,000 common shares of the Company (the "**Agent's Warrant Shares**") at a price of $0.10 per Agent's Warrant Share for a period of 24 months from the Listing Date (as defined herein). The Company will also pay the Agent a corporate finance fee of $45,000 and 250,000 common shares (the "**Corporate Finance Shares**") for corporate finance services at a deemed price of $0.10 per Share. This Prospectus qualifies the distribution of the Agent's Warrants and the Corporate Finance Shares to the Agent. The Company has also agreed to pay the Agent's expenses in connection with the Offering, including legal expenses and the Agent's reasonable out-of-pocket expenses for which the Company has paid a $10,000 retainer. See "Plan of Distribution".
2. The Company has granted the Agent an over-allotment option (the "**Over-Allotment Option**") to solicit 675,000 additional Shares (the "**Over-Allotment Option Shares**") to raise additional gross proceeds of up to $67,500 exercisable 48 hours prior to Closing. If the Over-Allotment Option is exercised in full, the total Price to the Public, Agent's Fee and Net Proceeds to the Company will be $517,500, $51,750 and $465,750 (before expenses), respectively.

3. Before deducting the balance of the expenses of the Company and the Agent relating to the Offering. See "Use of Proceeds".

There is currently no market through which the securities offered hereunder may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. Investments in natural resource issuers involves a significant degree of risk. The degree of risk increases substantially where the issuer's properties are in the exploration as opposed to the development stage. All of the properties of the Company are in the exploration or pre-exploration stage and are without a known body of commercial ore. An investment in these securities should only be made by persons who can afford the total loss of their investment. See "Risk Factors".

The Company has applied to list the Common Shares of the Company on the Canadian Securities Exchange (the "**Exchange**"). Listing will be subject to the Company fulfilling all of the listing requirements of the Exchange.

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

The Agent, as exclusive agent of the Company for the purposes of the Offering, conditionally offers the Shares on a commercially reasonable efforts basis, subject to prior sale, if, as and when issued by the Company and accepted by the Agent in accordance with the Agency Agreement referred to under "Plan of Distribution". Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that one or more global certificates representing the aggregate number of Shares subscribed for under this Prospectus will be issued in registered form to CDS Clearing and Depository Services Inc. ("**CDS**") and will be deposited with CDS on the Closing Date. No certificate evidencing the Shares will be issued to purchasers under this Prospectus, and registration will be made in the depository services of CDS. Purchasers of Shares will only receive a customer confirmation from the Agent or registered dealer who is a CDS participant and from whom or through whom a beneficial interest in the Shares is purchased.

The Company is not a related or connected issuer (as such terms are defined in National Instrument 33-105, Underwriting Conflicts) to the Agent.

The following table set out securities issuable:

Agent's Position	Maximum size or number of securities available	Exercise period or acquisition date	Exercise price or average acquisition price
Agent's Warrants(1)	450,000 Agent's Warrant Shares	24 months from the Listing Date	$0.10
Corporate Finance Shares(1)	250,000 Corporate Finance Shares	at Closing	$0.10
Over-Allotment Option(1)	Up to 675,000 Over-Allotment Option Shares	48 hours prior to Closing	$0.10
Total Securities Issuable	**Up to 925,000 Common Shares 450,000 Warrant Shares**		

Note:

1. The Agent's Warrant, Corporate Finance Shares and Over-Allotment Option Shares are qualified for distribution pursuant to this Prospectus.

Unless otherwise noted, all currency in this Prospectus are stated in Canadian dollars.

Certain legal matters relating to the securities offered hereby will be passed upon by Anfield Sujir Kennedy & Durno LLP, Barristers & Solicitors, on behalf of the Company and by Miller Thomson LLP, on behalf of the Agent. No person is authorized to provide any information or to make any representation in connection with this offering other than as contained in this prospectus.

AGENT:

CANACCORD GENUITY CORP.
609 Granville Street, Suite 2200
Vancouver, BC V7Y 1H2

Telephone: (604) 643-7300
Facsimile: (604) 643-7606

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GLOSSARY

"**Agency Agreement**"	means the agency agreement dated November 17, 2014 between the Agent and the Company relating to the Offering;
"**Agent**"	means Canaccord Genuity Corp.;
"**Agent's Commission**"	means the fee equal to 10% of the gross proceeds from the sale of Shares under the Offering payable to the Agent by the Company in cash;
"**Agent's Warrants**"	means the 450,000 share purchase warrants to be granted to the Agent as partial consideration in connection with the Offering as described under the heading "Plan of Distribution";
"**Agent's Warrant Shares**"	means the Common Shares to be issued to the Agent upon exercise of the Agent's Warrants;
"Author"	means Don MacIntyre, Ph.D., P.Eng., the author of the Report;
"**Closing**"	means the closing of the Offering;
"**Closing Date**"	means such date or dates that the Company and the Agent mutually determine to close the sale of the Shares offered pursuant to this Prospectus;
"**Common Share**"	means a common share in the capital of the Company;
"**Company**" **or** "**Montego**"	means Montego Resources Inc.;
"**Corporate Finance Shares**"	means the 250,000 common shares to be granted to the Agent as partial consideration in connection with the Offering as described under "Plan of Distribution";
"**Escrow Agreement**"	means the escrow agreement dated November 17, 2014 between the Company, Equity Financial Trust Company and various Principals of the Company;
"Exchange"	means the Canadian Securities Exchange;
"**Listing Date**"	means the date on which the Common Shares of the Company are first listed for trading on the Exchange following the Offering;
"**Offering**"	means the Offering of Shares of the Company as described in this Prospectus;
"**Offering Price**"	means $0.10 per Share;
"**Option Agreement**"	means the Option Agreement dated July 25, 2012 between the Vendor and the Company relating to the Property;
"**Over-Allotment Option**"	means Agent's option to solicit up to 675,000 Common Shares to raise additional gross proceeds of up to $67,500 exercisable 48 hours prior to Closing;
"**Over-Allotment Option Shares**"	means the Common Shares to be issued upon exercise of the Over-Allotment Option;

"**Principal**"	a principal of an issuer is: 1. a person or company who acted as a promoter of the issuer within two years before the Prospectus; 2. a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the Prospectus; 3. a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's initial public offering; 4. a 10% holder – a person or company that: (a) holds securities carrying more than 10% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's initial public offering and (b) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries;
"**Property**" or **"Red Top - Sunrise Property**"	means the property which the Company has an option to acquire pursuant to the Option Agreement, consisting of five (5) different mineral occurrences – Red Top, Snow, Sunrise, Morrison and Bearsden, located approximately 20 kilometers east of Clearwater and 112 kilometres north of the city of Kamloops, British Columbia, in the Kamloops Mining Division;
"**Prospectus**"	means this prospectus and any appendices, schedules or attachments hereto;
"**Report**"	means the Technical Report entitled "Red Top – Sunrise Zn-Pb-Ag Property Clearwater Area, British Columbia, Canada" with an effective date on October 1, 2012, and prepared for the Company by Don MacIntyre, Ph.D, P.Eng., an independent consulting geologist providing services through D.G. MacIntyre and Associates Ltd., in accordance with National Instrument 43-101;
"**Securities Commissions**"	means the British Columbia Securities Commission and the Alberta Securities Commission;
"**Selling Provinces**"	means British Columbia and Alberta and any other provinces in which this prospectus has been filed and in which the Shares will be offered for sale;
"**Shares**"	means the 4,500,000 Shares offered for sale under this Prospectus, and as applicable, the Over-Allotment Option Shares;
"**Stock Option Plan**"	means the Company's stock option plan adopted on September 15, 2014 by the Company's board of directors and providing for the granting of incentive options to the Company's directors, officers, employees and consultants;
"**Subscriber**"	means a person or other entity that subscribes for Shares under the Offering; and

"**Vendor**" means Rich River Exploration Ltd.

GLOSSARY OF TECHNICAL TERMS

Ag	Chemical symbol for silver.
Anomalous	A description of anything statistically out of the ordinary.
Argillite	A compact rock, derived either from mudstone (claystone or siltstone), or shale, that has undergone a somewhat higher degree of induration than mudstone or shale but is less clearly laminated and without its fissility, and that lacks the cleavage distinctive of slate.
Au	Chemical symbol for gold.
Calcareous	Said of a substance that contains calcium carbonate. When applied to a rock name, it implies that as much as 50% of the rock is calcium carbonate.
Chalcopyrite	A sulphide of copper common to most copper mineral deposits.
Chlorite	A member of a group of minerals resembling micas (the tabular crystals of chlorite cleave into small, thin flakes or scales that are flexible, but not elastic like those of micas); they may also be considered as clay minerals when very fine grained. Chlorites are widely distributed, especially in low-grade metamorphic rocks, or as alteration products of ferromagnesian minerals.
Cu	Chemical symbol for copper.
EM	Electromagnetic.
Fe	Chemical symbol for iron.
Feldspar	A common silicate mineral that occurs in all rock types and decomposes to form much of the clay in soil, including kaolinite.
Geochemical	Pertaining to various chemical aspects (e.g. concentration, associations of elements) of natural media such as rock, soil and water.
Igneous Rock	A rock formed by the crystallization of magma or lava.
km	Kilometre.
Lithologic	Pertaining to rock.
Metamorphic	Pertaining to the process of metamorphism or to its results.
Metasedimentary	A sedimentary rock that shows evidence of having been subjected to metamorphism.
Metavolcanic	Said of partly metamorphosed volcanic rock.
Mineralization	The presence of minerals of possible economic value – and also the process by which concentration of economic minerals occurs.

ml	Millilitre.
Pb	Chemical symbol for lead.
Phyllite	A metamorphic rock, intermediate in grade between slate and mica schist. Minute crystals of sericite and chlorite impart a silky sheen to the surfaces of cleavage (or schistosity). Phyllites commonly exhibit corrugated cleavage surfaces.
Porphyry	An igneous rock of any composition that contains conspicuous phenocrysts in a fine-grained groundmass.
Ppb	Parts per billion.
Ppm	Parts per million.
Proterozoic	Of or relating to the later of the two divisions of Precambrian time, from approximately 2.5 billion to 570 million years ago, marked by the buildup of oxygen and the appearance of the first multicellular eukaryotic life forms.
Pyrite	An iron sulphide.
Pyrrhotite	A monoclinic and hexagonal mineral (FeS); invariably deficient in iron; variably ferrimagnetic; metallic; bronze yellow with iridescent tarnish; in mafic igneous rocks, contact metamorphic deposits, high-temperature veins, and granite pegmatites.
S	Chemical symbol for sulphur.
Schist	A strongly foliated crystalline rock, formed by dynamic metamorphism, that can be readily split into thin flakes or slabs due to the well developed parallelism of more than 50% of the minerals present, particularly those of lamellar or elongate prismatic habit, e.g., mica and hornblende.
Sphalerite	A sulphide mineral of zinc (ZnS) with zinc replaced by iron with minor manganese, arsenic, and cadmium. Commonly occurs with the lead mineral galena in veins and irregular replacement in limestone.
Vtem	Means versatile time domain electromagnetic system.
Zn	Chemical symbol for zinc.

PROSPECTUS SUMMARY

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

The Company The Company is engaged in the business of exploration of mineral properties in Canada. The Company holds an option to acquire a 100% undivided interest in the Red Top - Sunrise Property described herein. The Company's objective is to explore and develop the Red Top - Sunrise Property. See "Narrative Description of the Business".

The Property The Red Top - Sunrise Property consists of 5 different mineral occurrences – Red Top, Snow, Sunrise, Morrison and Bearsden, located approximately 20 kilometers east of Clearwater and 112 kilometres north of the city of Kamloops, British Columbia in the Kamloops Mining Division.

The Offering The Company is offering 4,500,000 Shares for sale in the Selling Provinces, at the Offering Price of $0.10 per Share. See "Plan of Distribution".

Use of Proceeds The Company will receive aggregate gross proceeds of $450,000 from the sale of Common Shares pursuant to this Prospectus (assuming no exercise of the Over-Allotment Option). These funds will be combined with the Company's existing cash balance of approximately $17,751 as at October 31, 2014, for total available funds of $467,751 which will be used by the Company as follows:

Principal Purpose	Funds to be Used(1)
To pay accrued accounts payable of the Company(2)	$81,651
To pay the balance of the estimated remaining costs of the Offering (including legal, regulatory, audit, listing fees, filing fees, expenses of the Agent and printing expenses)	$75,000
To pay the Agent's Commission	$45,000
To pay the Agent's corporate finance fee (plus applicable taxes)	$45,000
To pay the Property payment due under the Option Agreement on the Listing Date	$15,000
To complete a portion of the recommended exploration program on the Red Top - Sunrise Property for 12 months(3)(4)	$85,800
To provide funding sufficient to meet administrative costs for 12 months(5)	$120,300
Total:	**$467,751**

Notes:

1. See table in proceeding section under heading "Recommendations" for a summary of the work to be undertaken, a breakdown of the estimated costs, and the nature of title to or the Company's interest in the Property.

2. This amount represents indebtedness that was incurred by the Company in the course of its operations, and was incurred principally for rent, professional fees and management fees. Of this amount, $21,000 is owing to Matalia Investments Ltd., a company controlled by Robert Coltura, $21,053 and $11,910 is owing to J.A. Minni & Associates Inc. and Earls Cove Financial Corp., respectively, both companies controlled by Jerry Minni, and $23,625 is owing to Syndicated Capital Corp., a company by Salman Jamal.

3. See "Use of Proceeds". The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. In the event of exercise of the Over-Allotment Option, the Company will use the proceeds for general working capital.

4. Assuming the completion of the Offering, the Company will not have sufficient funds to complete the full phase 1 recommended work program on the Red Top-Sunrise Property, as set forth in the Report. The Company only anticipates spending $85,800 on the Property in the first twelve (12) months following the Listing Date. As recommended in the Report, the Company anticipates completing an Airborne ZTEM Survey on the Property in the first twelve (12) months following the Listing Date.

5. See "Use of Proceeds".

The Company has negative cash flow from operations in its most recently completed financial year.

Risk Factors

An investment in the Shares should be considered highly speculative and investors may incur a loss on their investment. The Company has no history of earnings and to date has not defined any commercial quantities of mineral reserves on the Property. The Company has negative operating cash flow. While the Company has followed standard industry accepted due diligence procedures to ensure that the Vendor has valid title to the Property, there is no guarantee that the Company's 100% interest, once earned, will be certain or that it cannot be challenged by claims from aboriginal or indigenous titles, or unknown third parties claiming an interest in the Property. The Company and its assets may also become subject to uninsurable risks. The Company's activities may require permits or licenses which may not be granted to the Company. The Company competes with other companies with greater financial resources and technical facilities. The Company may be affected by political, economic, environmental and regulatory risks beyond its control. The Company is currently largely dependent on the performance of its directors and officers and there is no assurance the Company can retain their services. In recent years both metal prices and publicly traded securities prices have fluctuated widely. See the section entitled "Risk Factors" for details of these and other risks relating to the Company's business.

Summary of Financial Information

The following selected financial information is subject to the detailed information contained in the financial statements of the Company and notes thereto appearing elsewhere in the prospectus and should be read in conjunction with the financial statements and related notes.

	For the year ended June 30, 2014 Audited	**For the period from incorporation to June 30, 2013 Audited**
Revenues	Nil	Nil
Loss for the Period	($100,081)	($330,620)
Total Assets	$140,220	$140,749
Total Liabilities	$81,651	$97,609
Shareholder's Equity	$58,569	$43,140

See "Selected Financial Information and Management's Discussion and Analysis".

Currency Unless otherwise indicated, all currency amounts herein are stated in Canadian Dollars.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact relating to the Company, certain statements in this Prospectus may constitute forward-looking information, future oriented financial information, or financial outlooks (collectively, "forward-looking information") within the meaning of Canadian securities laws. Forward-looking information may relate to this Prospectus, the Company's future outlook and anticipated events or results and, in some cases, can be identified by terminology such as "may", "will", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "projects", "predict", "potential", "targeted", "possible", "continue" or other similar expressions concerning matters that are not historical facts and include, but are not limited in any manner to, those with respect to commodity prices, mineral resources, mineral reserves, realization of mineral reserves, existence or realization of mineral resource estimates, the timing and amount of future production, the timing of construction of the proposed mine and process facilities, capital and operating expenditures, the timing of receipt of permits, rights and authorizations, and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable. In particular, this Prospectus contains forward-looking statements pertaining to the following:

- Proposed expenditures for exploration work, and general and administrative expenses (see: "Narrative Description of the Business – Recommendations" and "Use of Proceeds" for further details);

- Expectations generally regarding completion of this Offering and the ability to raise further capital for corporate purposes; and

- Treatment under applicable governmental regimes for permitting and approvals (see: "Risk Factors").

Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner, those disclosed in any other of the Company's public filings, and include the ultimate determination of mineral reserves, if any, the availability and final receipt of required approvals, licenses and permits, sufficient working capital to develop and operate any proposed mine, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to capital and debt markets and associated costs of funds, availability of a qualified work force, and the ultimate ability to mine, process and sell mineral products on economically favourable terms. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this Prospectus. See "Risk Factors". The Company has no specific policies or procedures for updating forward-looking information. Forward-looking statements are based upon management's beliefs, estimates and opinions on the date the statements are made and, other than as required by law, the Company does not intend, and undertakes no obligation to update any forward looking information to reflect, among other things, new information or future events.

Investors are cautioned against placing undue reliance on forward-looking statements.

CORPORATE STRUCTURE

NAME AND INCORPORATION

The Company was incorporated under the laws of the Province of British Columbia and under the *Business Corporations Act* (British Columbia) on July 20, 2012 under the name Montego Resources Inc. The Company's registered office is located at Suite 1600 – 609 Granville Street, Vancouver, British Columbia, V7Y 1C3. The Company's head office is located at Suite 200 – 551 Howe Street, Vancouver, British Columbia, V6C 2C2. The Company is engaged in the exploration of mineral properties in Canada. See "Narrative Description of the Business".

INTERCORPORATE RELATIONSHIPS

The Company has no subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

The principal business carried on and intended to be carried on by the Company is the exploration of mineral resources on the Company's principal property, being the Red Top - Sunrise Property, which is in the exploration stage.

On July 25, 2012, the Company entered into an Option Agreement whereby the Company was granted an option to acquire a 100% right, title and interest in and to 5 different mineral occurrences – Red Top, Snow, Sunrise, Morrison and Bearsden, located approximately 20 kilometers east of Clearwater and 112 kilometres north of the city of Kamloops, British Columbia in the Kamloops Mining Division. The Vendor is at arm's length to the Company.

To fund its exploration activities and to provide working capital the Company has relied on the sale of Common Shares from treasury. Since incorporation, the Company has raised $282,000 privately through the sale of its Common Shares (see "Prior Sales"). The Company intends to raise additional funding under the Offering to carry out additional exploration on the Red Top - Sunrise Property as set out in the section entitled "Use of Proceeds".

THE OPTION AGREEMENT

Pursuant to the Option Agreement, the Vendor granted the Company an option to acquire a 100% interest in the Red Top - Sunrise Property, which consists of 5 mineral occurrences – Red Top, Snow, Sunrise, Morrison and Bearsden, located approximately 20 kilometers east of Clearwater and 112 kilometres north of the city of Kamloops, British Columbia in the Kamloops Mining Division. In order to earn its interest in the Red Top - Sunrise Property, the Company is required to complete the following cash payments, share issuances and exploration expenditures:

Date for Completion	Cash Payment	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred
Upon execution of the Property Option Agreement	$10,000 (Paid)	Nil	Nil
Upon the Listing Date	$15,000	85,000	Nil

Date for Completion	Cash Payment	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred
On or before the first anniversary of the execution of the Property Option Agreement	Nil	Nil	$100,000 (incurred)
On or before the first anniversary of the Listing Date	Nil	90,000	Nil
On or before the second anniversary of the Listing Date	$15,000	Nil	$200,000
On or before the third anniversary of the Listing Date	$25,000	Nil	$300,000
On or before the fourth anniversary of the Listing Date	$35,000	Nil	$400,000
Total	**$100,000**	**175,000**	**$1,000,000**

Note: All cash paid according to the above is to be paid to Rich River Exploration Ltd.

The Option Agreement grants the Company an option only. The Company is, therefore, not obligated to meet any of the above option obligations in the event that it chooses to terminate the Option Agreement and abandon the Red Top - Sunrise Property for any reason. The Company may terminate the Option Agreement at any time on notice to the Vendor. The Option Agreement will terminate if the Company fails to make any payments, issue any shares or complete any work program by the dates set out in the Option Agreement.

Pursuant to the Option Agreement, the Company shall act as the operator with respect to all exploration work to be carried out on the Property. Upon completion by the Company of all of its obligations under the Option Agreement, it will have earned a 100% undivided interest in the Red Top - Sunrise Property, subject only to a 3% Net Smelter Royalty ("**NSR**").

The Option Agreement also provides that a NSR of 3% is payable to the Vendor on all base, rare earth elements, gems and precious metals produced from the Property. The first 2% is purchasable by the Company for $500,000 per each 1%. The Vendor will retain, at maximum buyout, a 1% NSR. The purchase of the final 1% NSR is negotiable after commercial production commences.

The Company's 100% interest in the Property will be earned through the fulfillment of the obligations listed above.

THE RED TOP - SUNRISE PROPERTY

The following represents information summarized from the Report prepared pursuant to the provisions of National Instrument 43-101 by Don MacIntyre, Ph.D., P.Eng., an independent consulting geologist providing services through D.G. MacIntyre & Associates Ltd., Victoria, British Columbia. All Figures and Tables are included in this Prospectus. A complete copy of the Report is available for review, in color, on the System for Electronic Document Analysis and retrieval (SEDAR) located at the following website: www.sedar.com. Alternatively, the report may be inspected during normal business hours at the Company's business offices at Suite 200 – 551 Howe Street, Vancouver, BC V6C 2C2.

PROPERTY DESCRIPTION AND LOCATION

The Red Top - Sunrise Property is centered at Latitude 51° 37' 36" North and Longitude 119° 50' 30" West, and covers an east trending ridge between the Raft and North Thompson Rivers, in the Clearwater area of south central British Columbia, Canada. The center of the Property is approximately 20 kilometres east of the town of Clearwater and 112 kilometres north of the city of Kamloops (Figure 1). The Property is located on NTS map sheet 082M/12W and on TRIM map sheet 082M 061.

The Property consists of 12 contiguous mineral tenures that are located within the Kamloops Mining Division (Table 1 & Figure 2). The total area of the tenures that comprise the Property is calculated to be 2207.08 hectares. These tenures are held by Craig Lynes on behalf of the Vendor. At the time the Report was written, the Property was under option to the Company.

MINERAL TENURES

Details of the status of tenure ownership for the Red Top - Sunrise Property were obtained from the Mineral-Titles-Online (MTO) electronic staking system managed by the Mineral Titles Branch of the Province of British Columbia. This system is based on mineral tenures acquired electronically online using a grid cell selection system. Tenure boundaries are based on lines of latitude and longitude. There is no requirement to mark claim boundaries on the ground as these can be determined with reasonable accuracy using a GPS. The Red Top - Sunrise Property claims have not been surveyed.

Table 1. List of Mineral Tenures, Red Top - Sunrise Property

Tenure Number	Claim Name	Issue Date	Good to Date	Area (ha)
633845	RED TOP	Sept. 14, 2009	Sept. 30, 2017	80.26
833888	BEARSDEN	Sept. 19, 2010	Sept. 30, 2017	40.15
834322	RED TOP 2	Sept. 26, 2010	Sept. 30, 2017	341.07
834327	SUNRISE SE	Sept. 26, 2010	Sept. 30, 2017	120.41
834768	RED TOP 2	Oct. 1, 2010	Sept. 30, 2017	40.12
836729	--	Oct. 26, 2010	Sept. 30, 2017	40.14
853838	S-W SUNRISE	May 8, 2011	Sept. 30, 2017	461.55
853840	RED-TOP NORTH	May 8, 2011	Sept. 30, 2017	501.47
867878	SUNSET	July 26, 2011	Sept. 30, 2017	140.48
965849	RED-TOP WEST	March 18, 2012	Sept. 30, 2017	300.90
965889	BEARSDEN	March 18, 2012	Sept. 30, 2017	40.15
965909	SILVER BEAR	March 18, 2012	Sept. 30, 2017	100.38
				2207.08

The mineral tenures comprising the Red Top - Sunrise Property are shown in Figure 2 and listed in Table 1. The claim map shown in Figure 2 was generated from GIS spatial data downloaded from the Government of BC, Integrated Land Management Branch (ILMB), Land and Resource Data Warehouse (LRDW) (http://archive.ilmb.gov.bc.ca/lrdw/). These spatial layers are generated by the Mineral-Titles-Online (MTO) electronic staking system that is used to locate and record mineral tenures in British Columbia.

Claim details given in Table 1 were obtained using an online mineral tenure search engine available on the MTO web site.

CLAIM OWNERSHIP

Information posted on the MTO website indicates that all of the claims listed in Table 1 are owned 100% by Craig Lynes. Mr. Lynes holds these claims on behalf of the Vendor. As a result of the work done in 2012, the claims are in good standing until September 30, 2017.

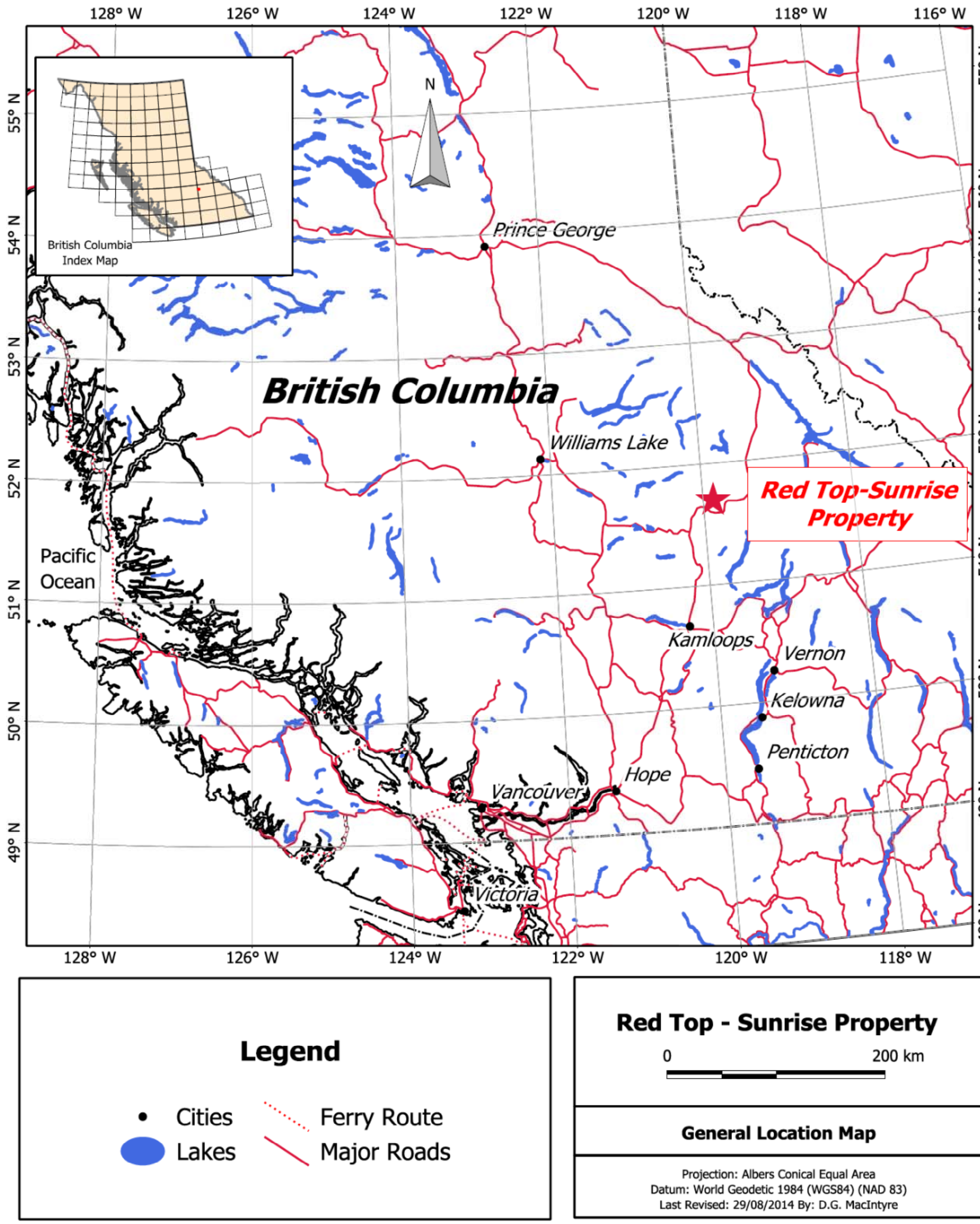

Figure 1 – Location Map, Red Top – Sunrise Property, southern British Columbia

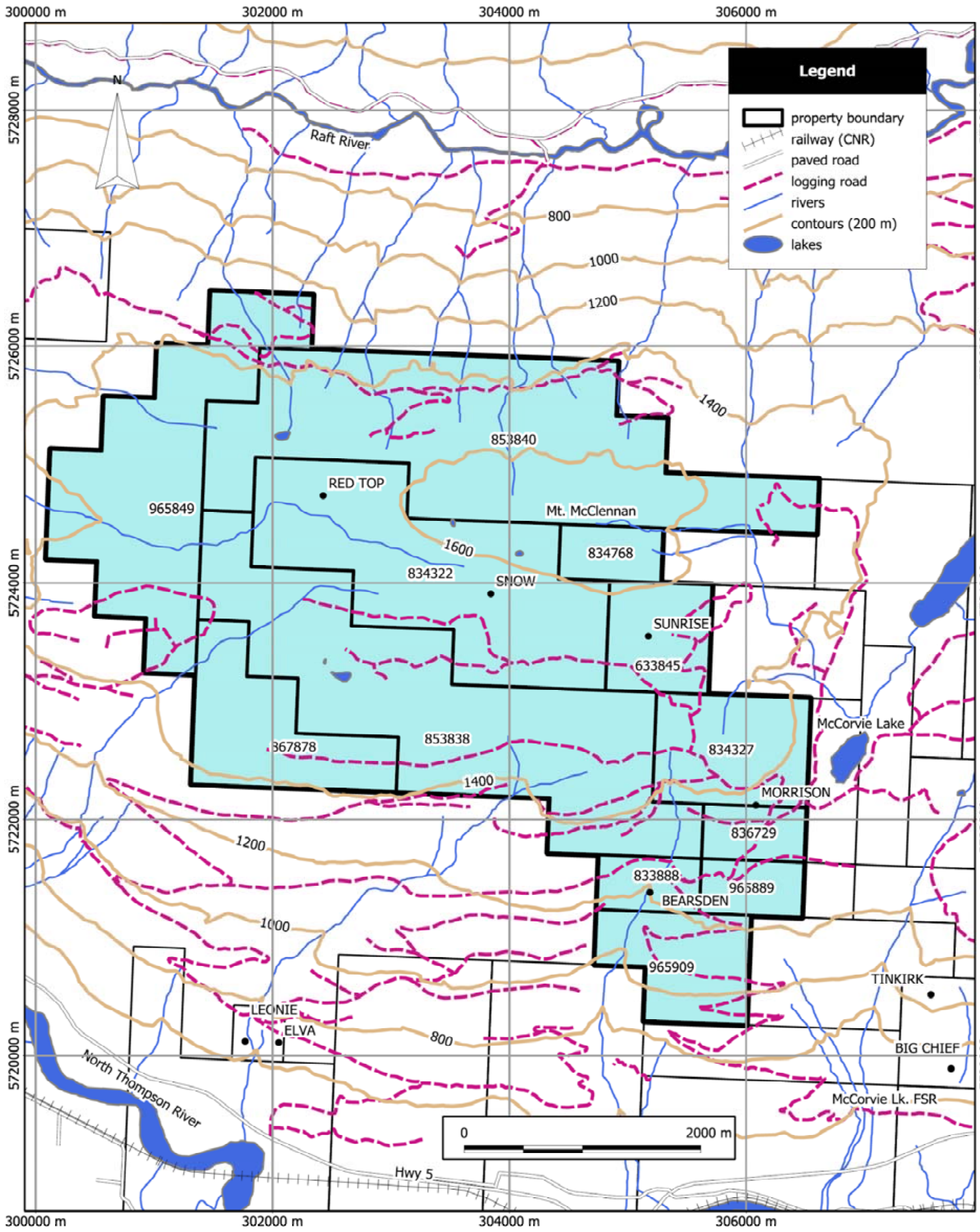

Figure 2 – Mineral Tenure Map, Red Top – Sunrise Property as of October 1, 2012. Source of information: B.C. Ministry of Energy & Mines, Mineral Titles On Line

REQUIRED PERMITS AND REPORTING OF WORK

In British Columbia, an individual or company holds the available mineral or placer mineral rights as defined in section 1 of the Mineral Tenure Act by acquiring title to a mineral tenure. This is now done by electronic staking as described above. In addition to mineral or placer mineral rights, a mineral title conveys the right to use, enter and occupy the surface of the claim or lease for the exploration and development or production of minerals or placer minerals, including the treatment of ore and concentrates, and all operations related to the business of mining providing the necessary permits have been obtained.

In order to maintain a mineral tenure in good standing exploration work or cash in lieu to the value required must be submitted prior to the expiry date. The amount required is specified by the British Columbia Mineral Tenure Act Regulation.

On July 1, 2012, the Province of British Columbia increased the assessment work required to maintain a mineral tenure in good standing. For mineral claims, the assessment work requirement will change from a 2-tier to 4 tier structure. The new assessment work requirements will be:

- $5.00 per hectare for anniversary years 1 and 2;
- $10.00 per hectare for anniversary years 3 and 4;
- $15.00 per hectare for anniversary years 5 and 6; and
- $20.00 per hectare for subsequent anniversary years.

To aid in the adjustment to the new work requirements, all claims will be treated as if they are in their first anniversary year for assessment purposes as of the date of implementation (July 1, 2012). In other words, regardless of the age of the claim, the next time work is registered on or after July 1, 2012, the assessment work requirement for a mineral claim will be $5.00 per hectare per year.

Payment instead of exploration and development work (PIED) amounts will also increase and a minimum time period for use of PIED will be established.

Prior to July 1, 2012 the PIED rate was equivalent to the value of exploration and development work. The new PIED rate will be set at double the value of the corresponding assessment work requirement. The new minimum requirement for PIED will be 6 months. The 12 month (1 year) maximum will remain in place.

Similar to the assessment work requirements, if a recorded holder wishes to register PIED, the claim will also be treated as if it is in its first anniversary year for the purposes of calculating the assessment requirement, as of the date of implementation (July 1, 2012). PIED will be $10.00 per hectare for anniversary years 1 and 2 for mineral claims (double the work amount).

Up to 10 years of work or cash in lieu can be applied on a claim. A change in anniversary date can be initiated at anytime and for any period of time up to 10 years. In order to obtain credit for the work done on the Red Top - Sunrise Property, Montego must file a Statement of Work (SOW) and submit an Assessment Report documenting the results of the work done on the Property. This report must also include an itemized statement of costs.

Prior to initiating any physical work such as drilling, trenching, bulk sampling, camp construction, access upgrading or construction and geophysical surveys using live electrodes (IP) on a mineral property a

Notice of Work permit application must be filed with and approved by the Ministry of Energy and Mines. The filing of the Notice of Work initiates engagement and consultation with all other stakeholders including First Nations. It is the authors understanding that permits were not required for the 2012 airborne geophysical survey and rock sampling program as it did not involve physical disturbances.

The Author is not aware of any new work proposed for the Property or of any Notices of Work filed since the effective date of the Report.

ENVIRONMENTAL LIABILITIES

There are a number of historical mine workings including adits and surface trenches on the Property that must be maintained in a manner that minimizes any danger to the public. Otherwise, the Author is not aware of any environmental issues or liabilities related to these historical exploration or mining activities that would have an impact on future exploration of the property.

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

Access and Local Resources

Access to the Property is via the Cormie Lake Forest Service Road (FSR) which connects to Interprovincial Highway 5 approximately 16 kilometres east of the town of Clearwater. Travelling east on Highway 5, the start of the Cormie Lake road is found on the left, approximately 3 kilometres past Birch Island turnoff. This road is followed to the north as it switchbacks up a south facing slope. At approximate kilometre 13.7 there is junction with the 10.22 forest service road. This road is followed 0.95 kilometres north to the 5085 road which accesses the east end of the old mine road to the Sunrise workings.

The town of Clearwater has good accommodation and logistical support including helicopters and a hospital.

Climate and Vegetation

There has been extensive clear cut logging south of Mt. McClennan. Between clearcuts there are stands of mature spruce and fir. Ponds and swamps occur in small depressions and in areas of subdued topography south of Mt. McClennan. Overburden is generally less than one metre, except in swampy areas where it is known to be over three meters. Rainfall is about 1 meter per year. Winters are cold with abundant snowfall.

Although significant snow and cold weather can be expected from November through to April, it should still be possible to operate on the property year round with appropriate winterization of equipment and use of appropriate snow removal techniques. From a practical point of view however, doing so may significantly increase the cost of exploration during the winter months.

Local Resources

The town of Clearwater has good accommodation and logistical support including helicopters and a hospital.

Infrastructure

The Property is well situated with regard to local infrastructure. Paved highway 5, the CNR rail line and a B.C. Hydro transmission line all follow the course of the North Thompson River which is located a few kilometres south of the property (Figure 2).

Physiography

The Property is located at the south-eastern end of the Caribou Plateau. The claims lie on the south slope of Mount McClennan where elevations range from 880 to 1675 metres above sea level.

HISTORY

Early Exploration Work

The Redtop, Snow and Sunrise showings were first located and hand-trenched in the 1920's. It was not until the 1940's that the first holes were drilled (Assessment Report 6931; Vollo, 1978). H.C.B. Leitch in 1960 (Assessment Report 436; Leitch 1962) examined the showings, and Crowpat Minerals Ltd. in 1966 acquired the ground, and drilled three holes totalling 459 meters (Figure 3). Calbay Mining Corporation Ltd., in 1969, staked the same ground as did Crowpat, and proceeded in doing considerable trenching as well as drilling five holes for a total of 371 meters (Figure 3).

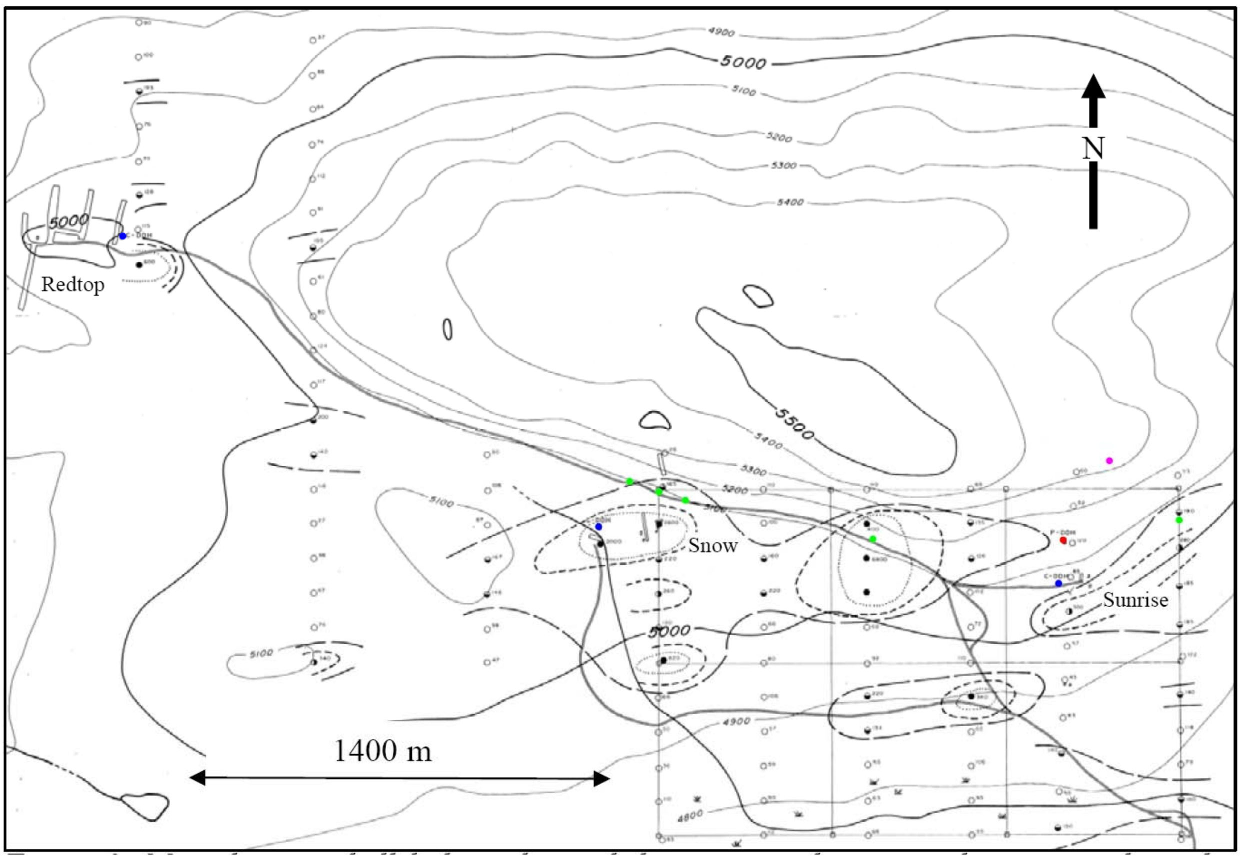

Figure 3 – Map showing drill hole and trench locations and contoured zinc in soil results
(Dawson, 1976). red dot = Crowpat Minerals 1966 drill site; blue dot = Calbay Mining 1969 drill site; green dots = Craigmont Mines 1978 drill site (location approximate).

Kerr, Dawson and Associates Ltd. staked the Nimsic Claim Group on Mount McClennan in 1975 and examined the Snow and Sunrise Showings and described the mineralization as being of an exhalative nature (Assessment Report 5813; Dawson, 1976). Castlemaine Explorations Ltd. acquired the Nimsic property in 1976 from Kerr, Dawson and optioned it to Canadian Nickel Co. Ltd.

Canadian Nickel Co. Ltd. established a 98.75 kilometre grid in 1976 and completed a surface exploration program of geological mapping, soil sampling and a magnetometer survey over the entire grid in 1977 (Assessment Report 6603; Hunter and Vincent, 1977). A limited VLF-EM survey was conducted over part of the grid at that time; the results of this survey are reported in Assessment Report 6603. Craigmont Mines Ltd. optioned the ground from Canadian Nickel Co. Ltd. in 1978 and performed further geophysical surveys and drilled five holes totalling 383 meters (Assessment Report 6931; Vollo, 1978).

These holes were drilled along the north limb of a tuffite horizon to test coincident geochemical highs and EM conductors (Figure 3). These drill holes failed to intersect significant mineralization. The claims were allowed to lapse and the ground remained open until 1983 when Placer Dome Inc. staked the area.

Placer Dome Inc. 1983 – 1988

The Noble 1-6 claims were staked by Placer Dome Inc. in 1983. These claims were staked to cover the lead-zinc-silver minor copper gold (Redtop, Snow and Sunrise) mineral prospects, as well as two lead-silver (Bearsden and Tinkirk) showings, and a gold occurrence (Morrison) thought to be near McCorvie Lake.

In 1983 Placer Dome Inc. examined and assessed the Redtop, Snow and Sunrise workings. The extent of work includes 27 kilometres of grid, with VLF-EM and magnetometer surveys. A total of 300 soil samples were also collected. As well, a 3.4 kilometre grid was constructed over the probable site of the Morrison Au showing. A VLF (EM-16) survey was initiated and 71 soil samples were taken. The showing was not located. Bulk silt sediment samples were also collected on Peavine Creek at 61 metre intervals between the 792 and 1311 metre contours.

During 1984, Placer Dome Inc. gathered 29.5 kilometres of ground magnetometer and VLF (EM-16) data. A limited Crone CEM (shootback EM) survey was performed with the hope that the CEM would better discriminate the massive sulphide showngs than the VLF (EM-16) instrumentation.

A limited field program was designed in 1985 to locate the source of mineralization in Peavine Creek. The program consisted of geological mapping, rock and soil sampling. During 1986 a field program was created to determine the significance of the Peavine Creek mineral occurrence, and to evaluate the Tinkirk showing. The 1986 program entailed refinement of the geological mapping and soil sampling, as well as detailed magnetometer and VLF ground surveys. Silt sampling was also initiated in the adjoining drainages to the west and an examination of the Tinkirk mineral prospect was completed.

The results of the above mentioned Placer Dome programs are described in Assessment Report numbers 12080 (Pinsent, 1984) and 13463 (Thorton, 1985).

Starting in May, 1988, a University of Toronto Electro-Magnetic Survey or U.T.E.M. was conducted over the entire SSR Grid to search for massive sulphides at depth. Geological mapping and rock sampling of the grid with detailed mapping and sampling of known mineral occurrences began in mid-June and continued into July. Regional traverses of the Noble claims during this time period discovered a sulphide replacement zone approximately 1.8 kilometres east of the Sunrise Showing.

Also in July, a detailed soil sampling survey was initiated in selective areas to relocate known, yet untested geochemical anomalies from previous surveys conducted by various mining companies. Continuing in late-July to early-August, 25 units were staked to cover the newly-discovered sulphide replacement zone. An additional 20 kilometres of grid was constructed with soil sampling and magnetometer surveys.

Table 2. Drill hole information - 1988 Placer Dome drilling (Warner, 1989).

Hole	Easting	Northing	Azimuth	Inclination	Length (m.)
88DD001	302362	5724862	200	-50	117.65
88DD002	302613	5724809	212	-55	336.00

Hole	Easting	Northing	Azimuth	Inclination	Length (m.)
88DD003	303843	5723932	205	-80	244.44
88DD004	305192	5723622	180	-85	254.20
					952.29

Figure 4. Google Earth image showing approximate location of 1988 Placer Dome Inc. drill holes (Warner, 1989). Also shown are the property boundary, current roads and clearcuts.

Table 3. Significant drill hole intersections - 1988 Placer Dome drilling (Warner 1989).

Hole No.	Target	From (m)	To (m)	Length	Cu ppm	Pb %	Zn %	Ag ppm
88DD001	Red Top	34.11	34.49	0.38	117	1.95	1.17	19.0
88DD001	Red Top	36.89	37.67	0.78	122	1.01	0.67	15.0
88DD001	Red Top	43.33	44.06	0.73	97	0.32	0.32	12.0
88DD002	Red Top	3.05	3.55	0.50	1700	5.00	2.00	35.0
88DD002	Red Top	3.55	4.14	0.59	740	0.46	0.35	6.0
88DD002	Red Top	4.14	5.00	0.86	1850	1.35	0.87	14.0
88DD002	Red Top	5.00	6.00	1.00	129	0.45	0.25	3.4
88DD002	Red Top	6.00	6.78	0.78	83	0.29	0.40	4.8
88DD003	Snow	47.27	48.39	1.12	38	0.78	55 ppm	0.8
88DD004	Sunrise	0.80	1.53	0.73	1300	0.56	394 ppm	8.0
88DD004	Sunrise	195.58	196.23	0.65	14	62 ppm	0.43	22.0

In late September, 952.3 metres of NQW diamond drilling were completed in four holes (Table 2). All drill holes, except 88DD001 were intended to determine the stratigraphic continuity and thickness of pyritic felsic schists between the showings (Assessment Report 18647; Warner 1989). The objective of 88DD001 was to test the continuity of mineralization at depth. Significant drill hole intersections are listed in Table 3. The best intersection was at the top of hole 88DD002 which ran 1700 ppm Cu, 5.0 % Pb, 2.0 % Zn and 35 ppm Ag over 0.50 metres. It is not known if this interval is a true thickness or not. Surface as well as downhole induced polarization surveys were completed in early November. The ground survey covered the area from the Snow to the Sunrise showing (Figure 4).

Placer Dome Inc. 1989

Field work began on the Noble Project on May 12, 1989 and was completed on July 10, 1989. Within this time frame two new grids, the McCorvie and Southern Reconnaissance Grids were constructed, soil sampled, and geologically mapped. Fill-in lines were also constructed on the SSR grid and soil sampled. A total of 3233 soils and 66 rocks were collected and analyzed for copper, lead, zinc, silver, gold and arsenic and mercury. In addition, 11 rock samples were submitted for thin section and 71.85 kilometres of grid line was established.

GEOLOGICAL SETTING

Regional Geology

The regional tectonic setting of the Red Top – Sunrise Property is shown in Figure 5. The geologic unit that hosts the showings on the Property is part of a package of metasedimentary rocks that are assigned to the Eagle Bay Assemblage. These rocks are bounded by the Cretaceous Raft and Baldy batholiths to the north and south respectively.

The Eagle Bay Formation is flanked to the west by Devonian-Triassic volcanic and sedimentary rock units of the Fennell Formation. To the east, the Eagle Bay Assemblage is bounded by the Archean Shuswap Metamorphic Complex.

Figure 6 is a geological map of the Vavenby area (Schiarizza and Preto, 1987; Massey et al., 2005). The geology within this map area contains metavolcanic and metasedimentary rocks of the Eagle Bay Assemblage (subdivided into 8 units) and adjacent rocks.

The map area covers a belt of structurally complex low-grade metamorphic rocks that lies along the western margin of the Omineca Belt. It is flanked by high-grade metamorphic rocks of the Shuswap Complex to the east and by rocks of the Intermontane Belt to the west.

The area is underlain mainly by Paleozoic metasedimentary and metavolcanic rocks of the Eagle Bay Assemblage and the Fennel Formation. Late Devonian granitic orthogneiss locally intrudes Eagle Bay rocks. The Paleozoic rocks are cut by mid Cretaceous granodiorite and quartz monzonite of the Raft and Baldy batholiths, and by Early Tertiary quartz feldspar porphyry, basalt and lamprophyre dykes. They are locally overlain by Eocene sedimentary and volcanic rocks of the Kamloops Group and by Miocene plateau lavas.

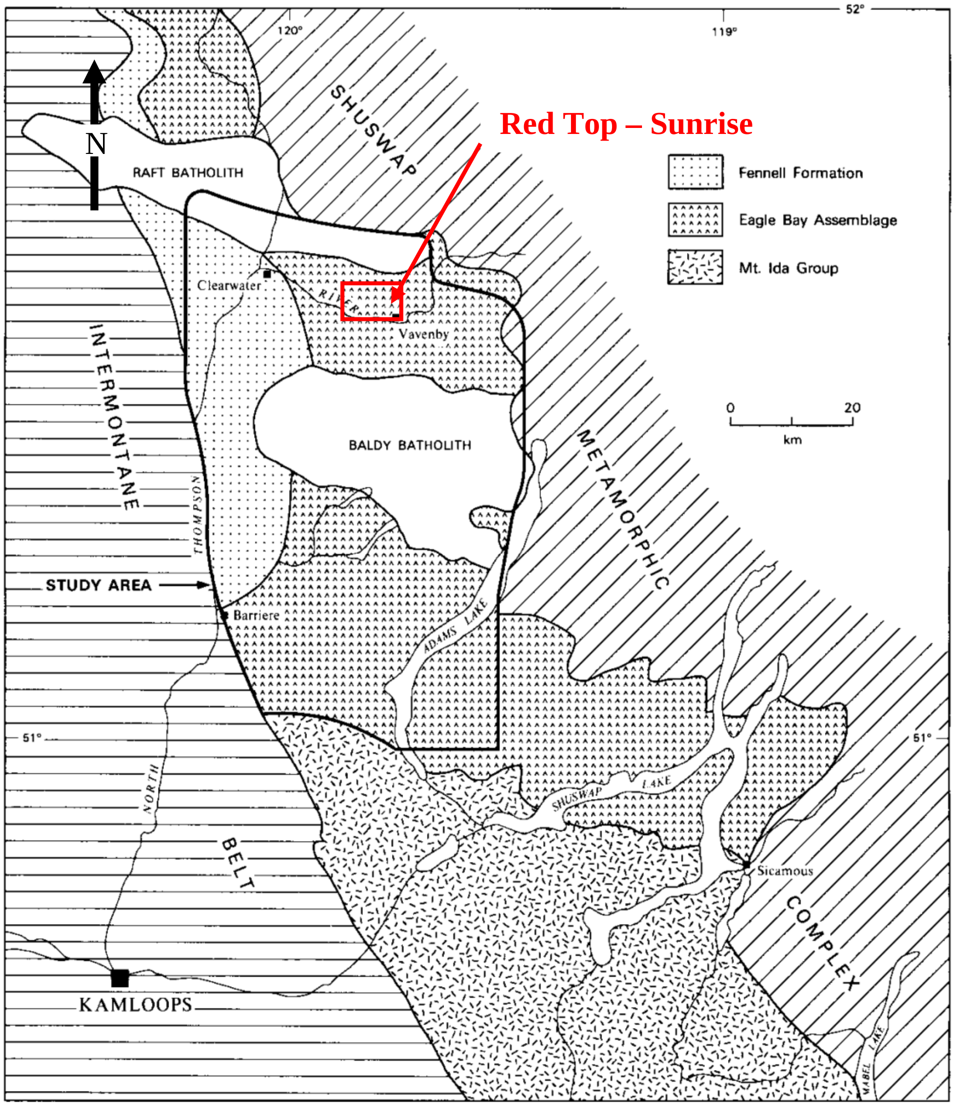

Figure 5. Regional tectonic setting of the Red Top – Sunrise Property. Are covered by Schiarizza and Preto, 1987 is also shown (Study Area).

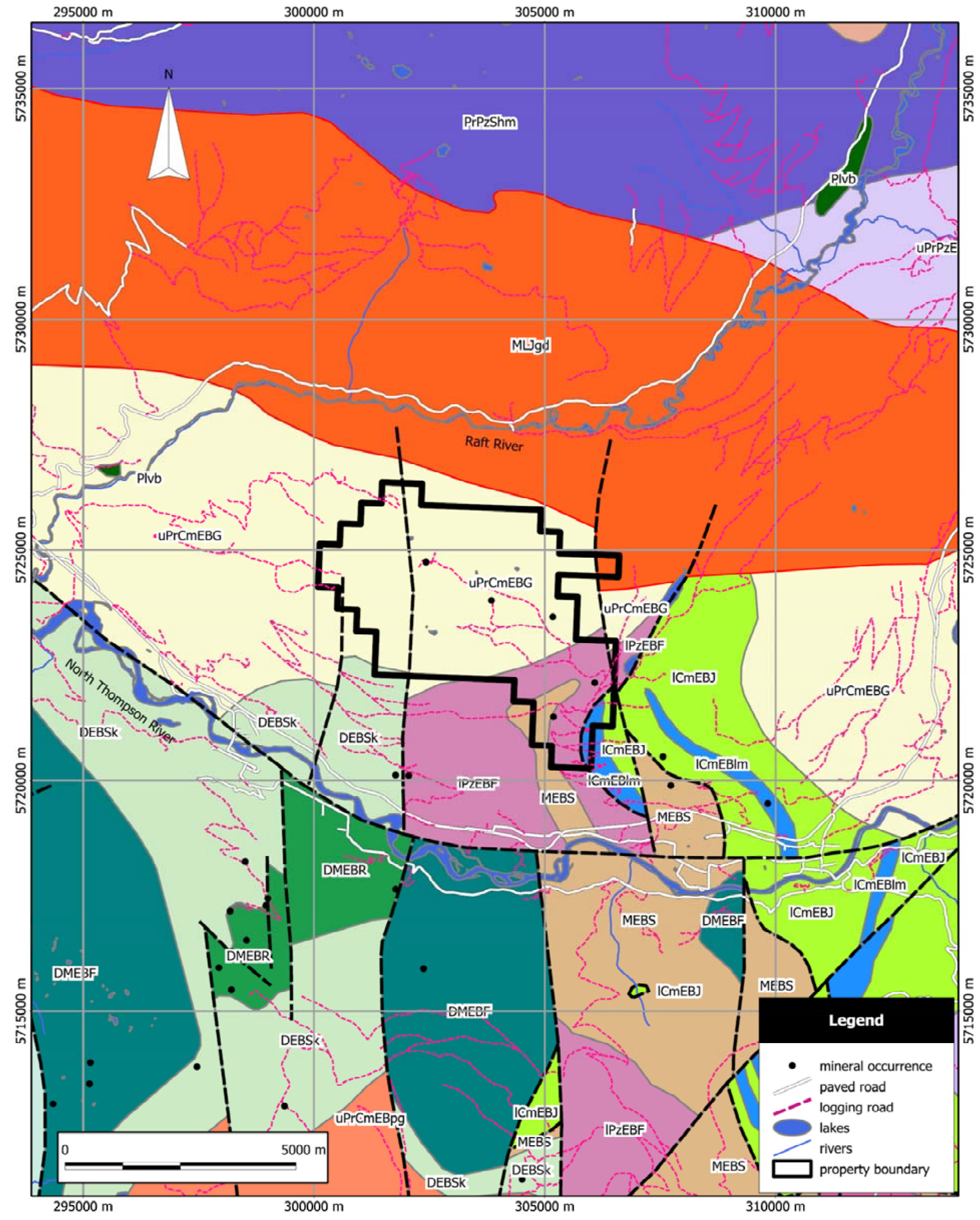

Figure 6. Geology in the vicinity of the Red Top – Sunrise Property. Geology after Schiarizza and Preto, 1987; Massey et al., 2005. See Table 4 for description of map units.

Table 4. Table of Formations

Map code	Age	Unit	Description
Plvb	Pleistocene	Unnamed	vesicular olivine basalt
KTgr	Cretaceous to Tertiary	Unnamed	biotite and muscovite-biotite granite, quartz monzonite, pegmatite and aplite
Kqm	Cretaceous	Unnamed	quartz monzonite, granodiorite
MLJgd	Middle Jurassic to Late Jurassic	Unnamed	granodiorite
DPFL	Devonian to Permian	Fennell Assemblage - Lower Structural Division	bedded chert, cherty argillite, diabase, gabbro, diorite and pillowed to massive metabasalt
MEBS	Mississippian	Eagle Bay Assemblage - Slate Creek Unit	mudstone, siltstone, shale fine clastic sedimentary rocks
DMEBR	Devonian to Mississippian	Eagle Bay Assemblage - Rexspar Unit	calc alkaline volcanic rocks
DMEBF	Devonian to Mississippian	Eagle Bay Assemblage - Foghorn Mountain Unit	andesitic volcanic rocks
DEBSk	Devonian	Eagle Bay Assemblage - Skwaam Bay Unit	calc alkaline volcanic rocks
DEBog	Devonian	Eagle Bay Assemblage	granodioritic orthogneiss
lPzEBF	Lower Paleozoic	Eagle Bay Assemblage - Forest Lake Unit	greenstone, greenschist metamorphic rocks
lCmEBlm	Lower Cambrian	Eagle Bay Assemblage	Tshinakin limestone member: massive, light grey finely crystalline limestone and dolostone
lCmEBJ	Lower Cambrian	Eagle Bay Assemblage - Johnson Lake Unit	greenstone, greenschist metamorphic rocks
lCmEBva	Lower Cambrian	Eagle Bay Assemblage	hornblende-quartz-feldspar-sericite-chlorite schist (intermediate metatuff or meta-intrusive?)
uPrCmEBG	Upper Proterozoic to Lower Cambrian	Eagle Bay Assemblage - Graffunder Lakes Unit	quartzite, quartz arenite sedimentary rocks
uPrPzEB	Upper Proterozoic to Paleozoic	Eagle Bay Assemblage	undivided quartzite, micaceous quartzite, siliceous phyllite, garnet-mica-quartz schist, greenstone, chloritic phyllite, chlorite schist, limestone, argillite, slate and conglomerate
uPrCmEBpg	Upper Proterozoic to Lower Cambrian	Eagle Bay Assemblage	Includes paragneiss, orthogneiss of unit Dog and sericite-quartz phyllite derived from quartz porphyry dikes and sills
PrPzShlm	Proterozoic to Paleozoic	Shuswap Assemblage	marble and diopsidic marble with lesser calc-silicate gneiss and amphibolite
PrPzShm	Proterozoic to Paleozoic	Shuswap Assemblage	undivided quartzofeldspathic gneiss, biotite-quartz schist, amphibolite, quartzite, marble, calc-silicate rock and skarn

The Paleozoic rocks occur in four structural slices separated by southwesterly-directed thrust faults. The upper three fault slices contain only Eagle Bay rocks, while the lowest slice comprises Eagle Bay strata structurally overlain by the Fennell Formation.

Rocks assigned to the Eagle Bay Assemblage range in age from Early Cambrian to Late Mississippian. They are in part correlative with Paleozoic successions in the Kootenay Arc and in the Barkerville-Cariboo River area. The oldest Eagle Bay rocks comprise quartzites and quartzose schists overlain by a unit of predominantly mafic metavolcanic rocks and limestone which, at one locality, contains Lower Cambrian archaeocyathids. An undated package of grit, phyllite, carbonate and metavolcanic rocks overlies the Early Cambrian succession. It is locally overlain by calcareous phyllite and associated calc-silicate schist and skarn or by mafic metavolcanic rocks. The upper part of the Eagle Bay Assemblage comprises a Devono-Mississippian succession consisting of felsic metavolcanic rocks overlain by intermediate, locally alkalic, metavolcanics and fine to coarse-grained clastic metasediments. These Devono-Mississippian rocks may be separated from older portions of the Eagle Bay Assemblage by a significant unconformity. Late Devonian orthogneiss that intrudes Eagle Bay rocks is probably related to the felsic metavolcanics.

The Fennell Formation comprises imbricated oceanic rocks of Slide Mountain terrane that were tectonically emplaced onto Mississippian clastic rocks of the Eagle Bay Assemblage prior to synmetamorphic southwesterly directed folding and thrusting. The formation comprises two major divisions. The lower structural division is a heterogeneous assemblage of bedded chert, gabbro, diabase, pillowed basalt, sandstone, quartz-feldspar-porphyry rhyolite and intraformational conglomerate. Conodonts extracted from bedded chert range in age from Early Mississippian to Middle Permian, while zircons extracted from quartz feldspar porphyry yield a Devonian uranium-lead age. The distribution of dated units indicates that the lower division is segmented into at least three and locally four imbricate thrust slices. The upper division consists almost entirely of pillowed and massive basalt, together with minor amounts of bedded chert and gabbro. Conodonts from two separate chert lenses within the division are respectively Early Pennsylvanian and Middle Permian in age. The two divisions are therefore the same age, at least in part, and are inferred to be separated by a thrust fault.

Rocks of the Fennell and Eagle Bay assemblages are intruded by Middle to Late Jurassic granodiorite of the Raft batholith north of Mt. McClennan. A number of smaller, isolated granitic intrusions of Cretaceous to Tertiary age also cut the older assemblages (unit KTg).

The youngest rocks in the area are vesicular olivine basalts of Pleistocene age (unit Plvb).

Property Geology

The geology of the Red Top – Sunrise Property is shown in Figure 7. This map and the following geological information are modified from Schiarizza and Preto, 1987.

Eagle Bay Assemblage

The oldest Eagle Bay rocks exposed on the property are micaceous quartzite, grit, phyllite and quartz mica schist, accompanied by minor amounts of chlorite schist, limestone, calcareous phyllite, calc-silicate schist and amphibolite of the Upper Proterozoic to Lower Cambrian Graffunder Lakes unit (uPrCmEBG). This unit is stratigraphically overlain by Devono-Mississippian Eagle Bay rocks, and locally by rocks of uncertain age. Locally it is intruded by bodies of orthogneiss and by sills of quartz-eye sericite schist (quartz porphyry) that may be directly related to overlying felsic volcanic rocks of the Skwaam Bay Unit (DEBSk).

The dominant rock type within the Graffunder Lakes Unit is light to medium (rarely dark) grey to brownish grey, fine to medium-grained micaceous quartzite. The quartzites are locally calcareous, in which case they contain calcite as evenly scattered microscopic grains or aggregates, or as pods and lenses oriented parallel to the foliation.

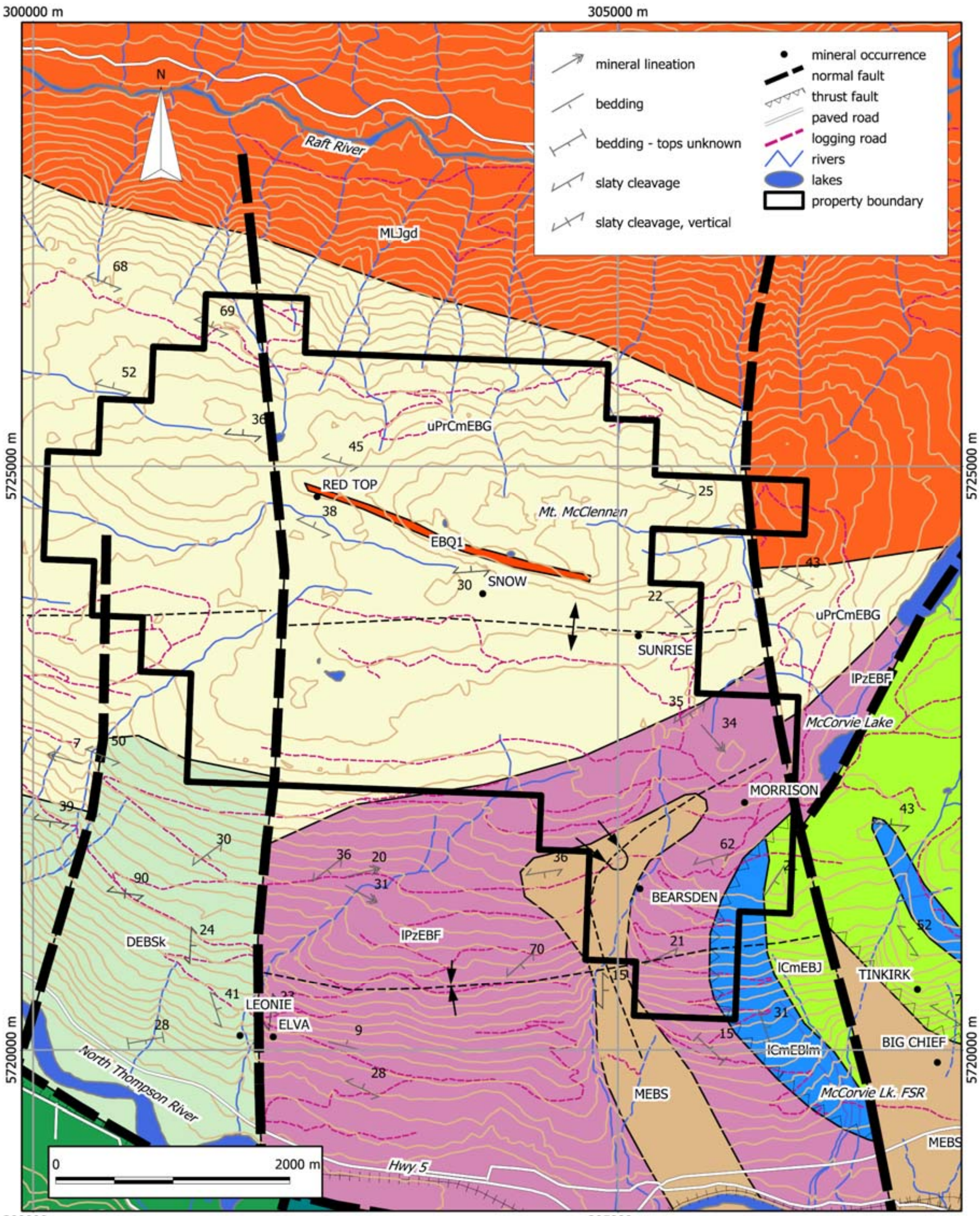

Figure 7. Geology of the Red Top – Sunrise Property (Schiarizza and Preto, 1987). See Table 4 for description of map units.

Light grey to white, massive quartzite occurs locally within the Graffunder Lakes Unit, but is not common. Where present it comprises intervals ranging up to several metres thick which are enclosed within typical platy quartzites and quartz mica schists. Limestone (unit EBQ1), marble, calc-silicate schist and calcareous phyllite, together with chlorite schist of mafic metavolcanic origin, dominate the upper part of Graffunder Lakes unit where it is exposed along the slopes south of Mount McLennan. These rocks are intercalated with quartzite and quartz mica schist and are overlain by either Skwaam Bay (DEBSk) or Forest Lake Unit (lPzEBF).

The age of the Graffunder Lake Unit is unknown, other than that it must be older than the mid to late Devonian granitic and volcanic rocks which respectively intrude and overlie it. It is, however, lithologically very similar to rocks of Early Cambrian and/or older age, with which it is tentatively correlated. This correlation suggests that the mafic metavolcanics, limestone and related rocks which comprise the upper part of the Graffunder Lake Unit in the vicinity of Mount McClennan and to the northeast of Granite Mountain may be correlative with lithologically similar Early Cambrian rocks of the Johnson Lake Unit (lCmEBJ).

The Forest Lake Unit (lPzEBF) is a heterogeneous package of rocks dominated by fine to coarse-grained clastic metasediments which are intercalated with carbonate and mafic to felsic volcanic and volcaniclastic horizons. Rocks assigned to this unit occur mainly at the base of the first fault slice, but also locally within the third fault slice where they overlie the Graffunder Lake Unit.

Rocks assigned to the Forest Lake Unit (lPzEBF) consist mainly of schistose chloritesericite grit and sandstone, together with chlorite-sericite-quartz schist and relatively pure quartzite. These rocks are intercalated with minor amounts of dark grey phyllite, dark green chlorite schist of probable mafic volcanic origin, and rare thin horizons of limestone and dolostone. They outcrop on the slopes south of Mount McClennan on the north side of the North Thompson River, and south of the river east of Jones Creek. They are apparently restricted to a single fault block, within which they are underlain by the Graffunder Lake Unit and overlain by Mississippian fine-grained sedimentary rocks of the Slate Creek Unit.

The age of the Forest Lake Unit is not known. It is presumed to be Early Cambrian and/or younger as it locally overlies the Graffunder Lake Unit and Middle Devonian and/or older since it lies beneath the Middle Devonian felsic phyllites of the Skwaam Bay Unit. It is lithologically similar to parts of the Lardeau Group in the Kootenay Arc, which is inferred to be Cambro-Ordovician in age. It is also similar to Palaeozoic grit and associated rocks within the Snowshoe Formation of the Barkerville terrane.

The Devonian Skwaam Bay Unit (DEBSk) is dominated by light grey chlorite-sericitequartz phyllite and schist derived mainly from felsic to intermediate volcanic and volcaniclastic rocks. Green chlorite schist derived from mafic volcanic rocks is present locally. Bands of dark grey phyllite and siltstone comprise approximately 10 per cent of the unit. This unit is host to numerous polymetallic base and precious metal showings within the Clearwater-Vavenby area.

Thin veins and lenses of quartz or quartz-carbonate often occur parallel to the schistosity. The phyllites are typically quite homogeneous over large intervals and contacts between individual volcanic or volcaniclastic horizons are not commonly evident. Locally the phyllite is coarsely fragmental and probably derived from coarse pyroclastic rocks although fragmental units are not as common as in overlying Forest Lake Unit.

Distinctly more mafic, medium to dark green schists consisting of chlorite, albite, epidote and actinolite or green biotite are also present; these have little or no quartz and sericite. A band of dark green fragmental schist 10 metres thick, exposed along lower Foghorn Creek, contains coarse fragments of both dark green chloritic schist and light grey sericite quartz schist.

Metasedimentary intervals of medium to dark grey phyllite, siliceous phyllite, slate and siltstone are present throughout the Skwaam Bay Unit and are estimated to comprise about 10 per cent of the succession. Individual bands range from a few metres to a few tens of metres in thickness. Contacts with adjacent light-coloured sericite quartz phyllite are generally sharp but locally are gradational and indistinct. The dark grey phyllite and siltstone are usually pyritic and may contain concordant lenses of pyritic quartz or quartz and rusty carbonate. These dark metasediments are very similar in appearance and composition to the slate, phyllite and siltstone which characterize the Mississippian Slate Creek Unit (MEBS).

The Slate Creek Unit (MEBS) of Mississippian age, is the youngest unit of the Eagle Bay Assemblage exposed within the Clearwater-Vavenby area. It is comprised mainly of dark grey slate, phyllite and siltstone, together with sandstone, granule to pebble conglomerate, limestone, dolostone and intermediate to felsic volcaniclastic rocks. These rocks crop out in several fault blocks on the property. Good exposures in this area are mainly in the lower reaches of Jones and Avery creeks.

Slate, phyllite and siltstone are the most abundant rock types within the Slate Creek Unit. These rocks are typically dark grey to black in colour, although light greenish grey phyllite is present1ocally: Siltstone may be somewhat lighter in colour than the associated slaty rocks and, in places, has a greenish or reddish cast. Cubes of pyrite and/or siderite or ankerite porphyroblasts are commonly present and may cause the rocks to become rusty; elsewhere the rocks are medium to dark grey on weathered surfaces. Siltstone is generally subordinate to slate or phyllite and occurs as horizons ranging up to a few centimetres in thickness. These may comprise persistent tabular layers (on the scale of an individual outcrop) or they may be markedly lenticular in nature. Rare grading, small-scale channels, flame structures and vague crossbedding were observed within the siltstone/slate sequences.

Approximately 30 per cent of the unit exposures contain horizons of sandstone and/or granule to pebble conglomerate, in addition to slate and siltstone. These coarser grained rocks occur in groups of beds intercalated with slate and phyllite over intervals of several tens of metres or more. They comprise mainly fine to coarse-grained sandstone which occurs in beds ranging from several centimetres to more than 1 metre thick. In general, the thicker beds are coarser grained and often include granule-size clasts.

Quartz-pebble conglomerate was noted rarely within the Slate Creek Unit and is similar in composition to the finer grained sandstone and granule conglomerate with which it is associated. Clasts range up to 2 centimetres in size and are set within a dark grey silty or sandy phyllitic matrix.

Bands of rusty weathering light to medium greenish grey metatuff and metavolcanic breccia, similar to those in the Devonian-Mississippian Foghorn Mountain Unit (DMEBF), are intercalated with phyllite and siltstone of Slate Creek unit at a number of places within the area. These metavolcanic layers are typically a few metres or less in thickness and most cannot be traced for any substantial distance.

Pale greenish grey schistose chlorite sericite dolostone outcrops along Avery Creek and to a lesser extent along Jones Creek and on the lower slopes of the North Thompson River valley east of Peavine Creek. The dolostone is intercalated with dark grey phyllite, granule to pebble conglomerate and rarely, thin lenses of dark grey limestone. Exposures along Avery Creek indicate that the dolostone locally occurs over intervals that are many tens of metres thick.

Slate Creek rocks exposed in the Vavenby area occur at the top of the third Eagle Bay fault slice. Within this area, which is transected by a number of late, northerly trending faults, the unit is generally thin; it is gradationally underlain by the and structurally overlain by quartzites of the Graffunder Lake Unit of the overlying fault slice.

The abrupt change in Eagle Bay stratigraphy across the bounding faults suggests that they may follow the loci of earlier faults which were active during deposition of the Devono-Mississippian section of the Eagle Bay succession.

Raft River Batholith

The north-central portions of the property are underlain by Early Jurassic, medium to coarse-grained diorite to granodiorite of the Raft River Batholith that weathers to a white to pinkish hue (MLJgd). Border zones, which are from a few metres to over 100 metres in width, are commonly mafic-rich and greenish in colour; they are reported to appear to be altered in composition by the assimilation of Nicola Group rocks during intrusion. Weak sericite alteration is common near intrusive contacts and it is intensely developed in the Silver King area.

Table 5. Mineral occurrences, Red Top - Sunrise Property.

Name	Minfile No	Easting	Northing	Commodity	Alteration	Minerals
Red Top	082M 044	302429	5724737	Ag, Pb, Zn, Cu, Au	Sericite, silica, pyrite	Pyrite, pyrrhotite, galena, sphalerite, chalcopyrite
Snow	082M 045	303840	5723909	Ag, Pb, Zn, Cu, Au	Pyrite, silica	Pyrite, pyrrhotite, galena, sphalerite, chalcopyrite
Sunrise	082M 046	305174	5723548	Ag, Pb, Zn, Cu, Au	Silica	Pyrite, pyrrhotite, sphalerite, galena, chalcopyrite, tetrahedrite
Morrison	082M 047	306082	5722121	Au	Quartz	Mariposite
Bearsden	082M 033	305187	5721382	Ag, Pb, Cu, Au	Quartz	Pyrite, galena, chalcopyrite

Note: UTM coordinates - NAD83, Zone 11

Mineral Occurrences

Lower Cambrian Eagle Bay Formation rocks on Mount McClennan are comprised of metasediments and metavolcanics, which are deformed into a shallow plunging east trending antiform. The rocks, which occupy the north limb of the structure, include quartzite, chlorite- muscovite-quartz schist, quartz-sericite schist, limestone, calc-silicate schist and skarn. Stratiform lenses of massive, semi- massive and disseminated pyrite and pyrrhotite with lesser galena, sphalerite and chalcopyrite occur in pyritiferous, siliceous and recrystallized units (Table 5). The Morrison and Bearsden showings appear to be quartz vein occurrences.

Red Top (Minfile #082M 044)

The Redtop prospect is a 300 metre thick section of rusty, pyritic, quartz-sericite schist with intercalated meta-argillite and limestone. The strata strikes 110 degrees and dips 30 to 50 degrees northeast. A 1.5 metre chip sample assayed 0.17 grams per tonne gold, 18.9 grams per tonne silver, 0.08 per cent copper, 2.75 per cent lead and 3.15 per cent zinc (Assessment Report 436; Leitch, 1962). A 2.0 metre thick chip sample of the pyritic unit, close to the base of the limestone assayed 3.4 grams per tonne silver, 0.015 per cent copper, 0.047 per cent zinc and 0.08 per cent lead (Assessment Report 12080; Pinsent, 1984). There is no information available on the overall length, width and depth or continuity of the Red Top mineralization. More work is needed to determine the overall extent of mineralization. The showing was not visited by the Author.

Snow (Minfile #082M 045)

The Snow prospect consists of four "semi-conformable", 0.3 to 1.2 metre wide bands of massive sulphide within a 12.2 metre thick, flat-lying unit of carbonate bearing quartzsericite schist that has been exposed in a north trending serices of trenches that crosscut the stratigraphy. Zinc rich bands grade upward into copper rich bands and chalcopyrite is partially mobilized into north trending tension fractures. A 0.6

metre sample assayed 1.70 per cent copper, 8.25 per cent lead and 2.57 per cent zinc (Assessment Report 436; Leitch, 1962) and chips from several mineralized blocks assayed 1.18 per cent copper, 0.80 per cent zinc, 2.10 per cent lead, 140 grams per tonne silver and 0.12 grams per tonne gold (Assessment Report 12080; Pinsent 1984). Pinsent states that "similar material, presumably form the same horizon, appears to be exposed in a more recent trench located 150 m. to the west". This implies a minimum strike length of 150 metres for the massive sulphide mineralization.

Sunrise (Minfile #082M 046)

The Sunrise prospect consists of massive sulphide horizons, up to 1.2 metre thick, within flat-lying quartz sericite schist and close to the nose of the antiform. A 2.0 metre chip sample assayed 1.73 grams per tonne gold, 225 grams per tonne silver, 2.62 per cent lead, 18.3 per cent zinc and 0.13 per cent copper (Assessment Report 12080; Pinsent, 1984). The mineralization occurs over a 150 metre length.

Morrison (Minfile #082M 047)

Gold is reported in quartz veins and altered chlorite-sericite-quartz schist. A channel sample is reported to assay 13.7 grams per tonne gold (Assessment Report 436; Leitch, 1962). Mariposite probably occurs in the schist. There is no information on the overall extent of mineralization at the Morrison showing but in general it appears to be quite limited.

Bearsden (Minfile #082M 033)

A quartz vein apparently carries silver, gold, copper and lead mineralization. An unknown sample type assayed 0.34 grams per tonne gold, 295 grams per tonne silver and 11.26 per cent lead (Old Mineral Deposit Inventory Form in Property File). There is no information on the extent of mineralization at the Bearsden showing which occurs in a forested area lacking outcrop.

DEPOSIT TYPES

The Red Top, Sunrise and Snow occurrences are characterized by stratiform lenses of massive, semi-massive and disseminated pyrite and pyrrhotite with lesser galena, sphalerite and chalcopyrite hosted by pyritiferous, siliceous and recrystallized sedimentary and volcanic units. These mineral occurrences are classified as Sedimentary-Exhalative (SEDEX) in the MINFILE database. However, the presence of felsic metavolcanics in the host stratigraphy suggests a possible volcanogenic origin similar to Kuroko type massive sulphide deposits. Both types of mineral deposits form on the seafloor where metal bearing hydrothermal fluids are being discharged from a vent. These fluids precipitate sulphide minerals which accumulate as massive sulphide mounds or beds on the seafloor. The size and grade of the deposit that can be formed depends on the length of time venting has occurred and the metal content of the hydrothermal fluids

The Morrison and Bearsden showings appear to be vein occurrences and are probably unrelated to the massive sulphide deposits.

EXPLORATION

The 2012 Red Top - Sunrise Property exploration program involved two components: an airborne geophysical survey with radiometric and magnetic sensors done by Precision Geosurveys and a ground lithogeochemical and prospecting program targeting specific areas on the property done by the Vendor. As part of the prospecting program road access to the main showings was improved by cutting out windfall and removing underbrush. In addition, the Author compiled data and did a one day property examination for the Vendor on July 27, 2012. The total cost of the work done in 2012 was $109,329.32.

Of this amount, $95,500 was filed for assessment credit (Statement of Work filed September 25, 2012 by Craig Lynes, MTO event no. 5407123).

Airborne Geophysical Survey

The following information is extracted from a report submitted to the Company, the property operator, by Precision Geosurveys Inc., the contractor engaged to fly an airborne geophysical survey over the Red Top - Sunrise Property (Poon, 2012). The total pre-tax cost of this survey was $27,000.

The geophysical survey involved the acquisition of high resolution magnetic and radiometric data over the Red Top - Sunrise Property. The survey area was approximately 6.0 km by 6.5 km (Figure 8). A total of 260 line kilometres were flown for this survey; this total includes tie lines and survey lines. The survey lines were flown at 100 meter spacing at a $030^{o}/210^{o}$ heading; the tie lines were flown at 1 km spacing at a heading of $120^{o}/300^{o}$. Precision GeoSurveys flew the property using a Bell 206 Jet Ranger helicopter. The average survey elevation was 48 meters vertically above ground.

The base of operations for this survey was in Clearwater, BC. The survey was started on September 7 and completed on September 8, 2012.

A magnetic base station was set up before every flight to ensure that diurnal activity is recorded during the survey flights. The base station was installed at a magnetically noisefree area, away from metallic items such as steel objects, vehicles, or power lines that could affect the survey data. Base station readings were reviewed at regular intervals to ensure that no data was collected during periods with high diurnal activity (greater than 5 nT per minute). The magnetic variations recorded from the stationary base station are removed from the magnetic data recorded in flight to ensure that the anomalies seen are real and not due to solar activity.

For this survey, a magnetometer, spectrometer, base station, laser altimeter, pilot guidance unit, and a data acquisition system were required to carry out the survey and collect quality, high resolution data. Detailed information on these survey components are contained in the appended geophysical report.

The magnetometer used by Precision GeoSurveys is a Scintrex cesium vapor CS-3 magnetometer. The system was housed in a front mounted "stinger".

The IRIS, or Integrated Radiometric Information System is a fully integrated, gamma radiation detection system containing 16.8 litres of NaI (T1) downward looking crystals and 4.2 litres NaI (T1) upward looking crystals.

For monitoring and recording of the Earth's diurnal magnetic field variation, Precision GeoSurveys operates two GEM GSM-19T magnetometer base stations continuously throughout the airborne data acquisition survey.

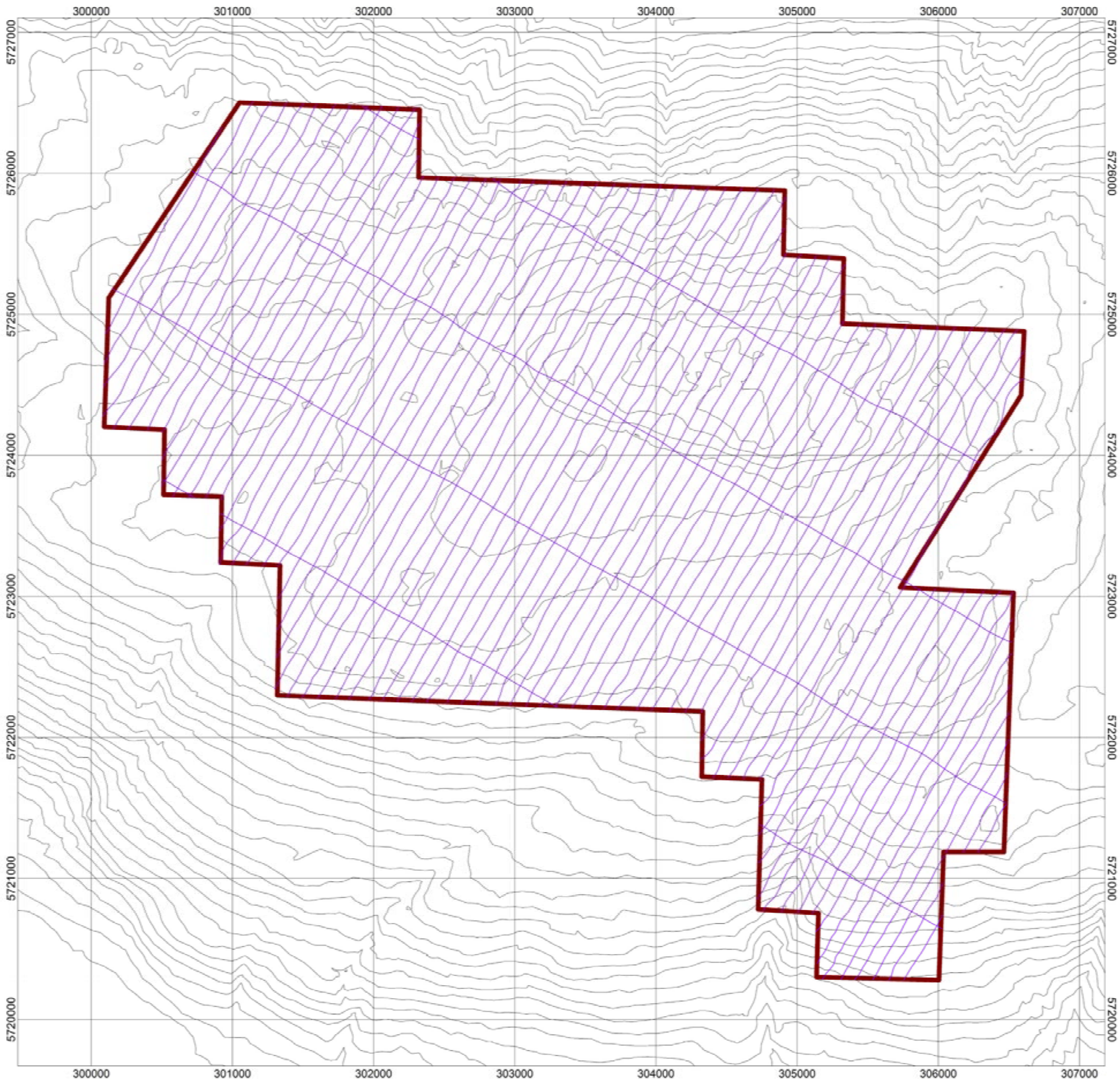

Figure 8. Location of airborne geophysical flight lines (purple lines) flown by Precision Surveys Inc. for Montego, September 7-8, 2012. Map from Poon, 2012. This map and Figures 9 and 10 are in UTM projection, Zone 11, NAD83 datum).

<u>Magnetic Data</u>

Magnetic surveying is probably the most common airborne survey type to be conducted for both mineral and hydrocarbon exploration. The type of survey specifications, instrumentation, and interpretation procedures, depend on the objectives of the survey.

Typically magnetic surveys are performed for:

1. Geological Mapping to aid in mapping lithology, structure and alteration in both hard rock environments and for mapping basement lithology, structure and alteration in sedimentary basins or for regional tectonic studies.

2. Depth to Basement mapping for exploration in sedimentary basins or mineralization associated with the basement surface.

Figure 9 shows geology and mineral occurrence locations superimposed on the Total Magnetic Intensity (TMI) base map. This map was produced by the Author using Manifold GIS software. The most striking feature visible on this map is a north trending area of positive magnetic response that crosscuts the structure and stratigraphic trends on the Property. This north trending feature appears to connect with an easterly trending zone of high magnetic response that occupies the northern part of the Property forming a T-shaped anomaly. The easterly trending anomaly corresponds to rocks that are assumed to sit stratigraphically above the mineralized horizons on the Property. A similar magnetic response appears to be associated with rocks underlying the Morrison and Bearsden showings. These magnetic highs are probably related to the presence of magnetic minerals in underlying bedrock. It is unknown whether these minerals are primary or secondary in nature.

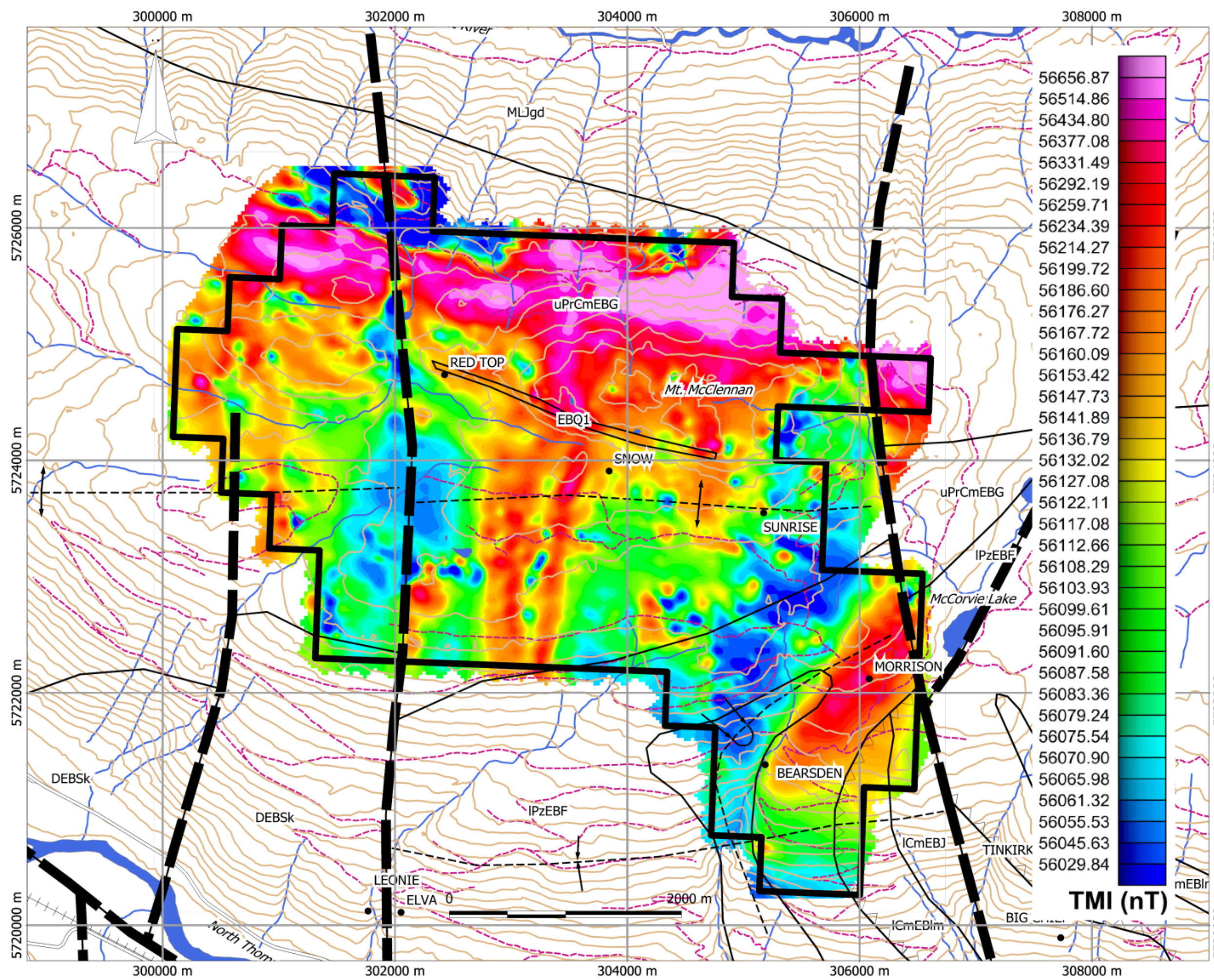

Figure 9. Geology contacts and mineral showings superimposed on Total Magnetic Intensity (TMI). Map prepared by the Author using magnetic data from Precision Geosurveys report for Montego (Poon, 2012). Survey flown September 7-8, 2012. See Figure 7 for legend and Table 4 for description of map units.

Radiometric Data

Radiometric surveys detect and map natural radioactive emanations, called gamma rays, from rocks and soils. All detectable gamma radiation from earth materials come from the natural decay products of three primary elements; uranium, thorium, and potassium. The purpose of radiometric surveys is to determine either the absolute or relative amounts of U, Th, and K in surface rocks and soils.

Figure 10 shows geology and mineral occurrences superimposed on the K equivalent radiometric base map. This map was produced by the Author using Manifold GIS software. The K concentration was deemed to be the most useful radiometric measurement as K alteration is a common feature of hydrothermal systems. Areas of K enrichment may correspond to the potassic zone; removal of K (plus Na, Ca, Mg) may occur as a result of intense and pervasive argillic (clay) alteration.

The most striking feature visible on Figure 10 is a northwest elongate high in the central portion of the Property. This anomaly is at a slightly oblique angle to what is assumed to be the east trending axis of a major antiform. Other areas of anomalous K response occur in the southeast corner of the Property. The significance of these anomalies is unknown. Some of the K lows shown on Figure 10 may be due to feldspar destructive hydrothermal alteration or to the presence of rocks with low K content.

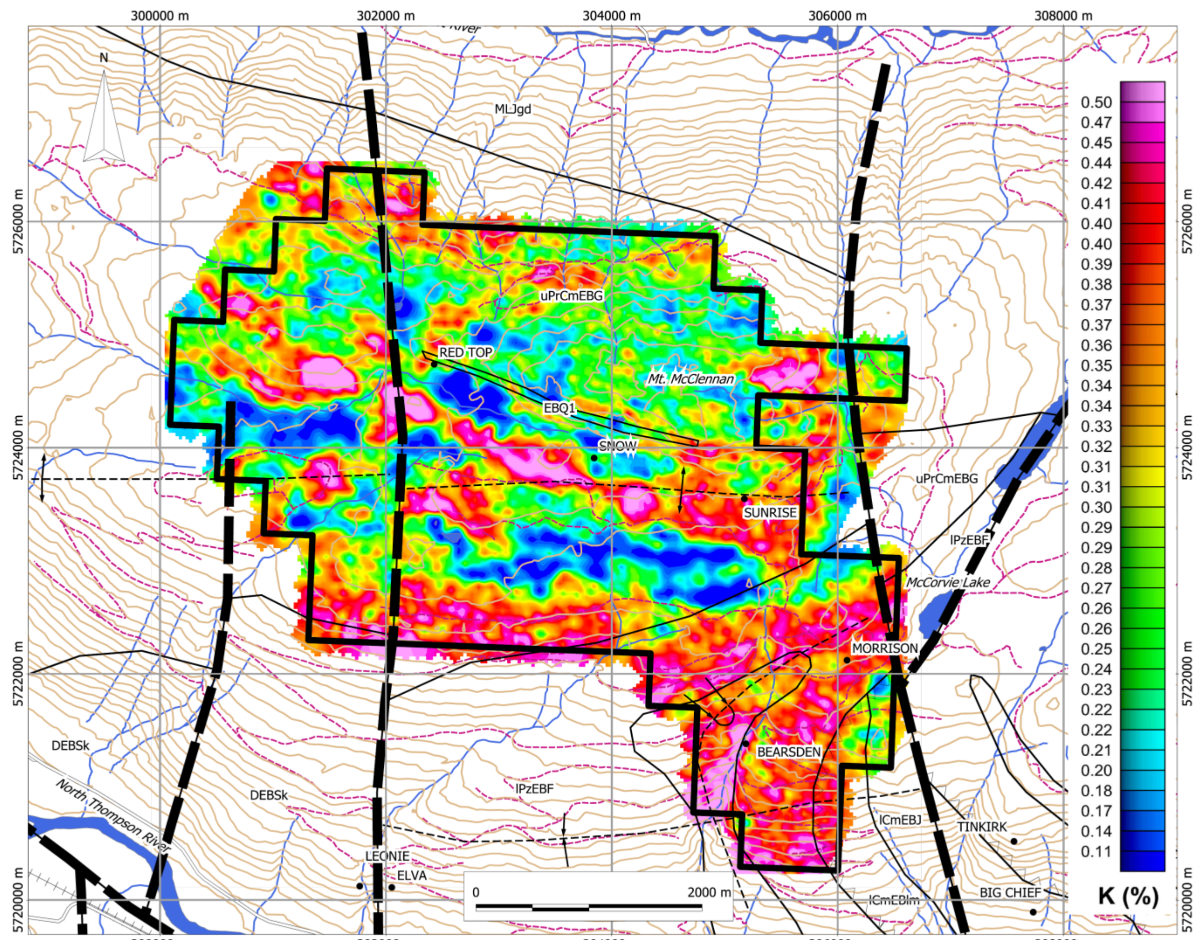

Figure 10. Geology and mineral showings superimposed on airborne radiometric data showing potassium equivalent concentration. Map prepared by the Author using radiometric data from Precision Geosurveys report for Montego (Poon, 2012). Survey flown September 7-8, 2012. See Figure 7 for legend and Table 4 for description of map units.

Lithogeochemical Sampling

A program of lithogeochemical sampling and prospecting was undertaken by Craig Lynes, the Property owner. This work was done by Mr. Lynes's company, the Vendor in the time period July 24th to 30th and August 10th to 24th, 2012. A total of 22 rock samples were collected. Figure 11 shows the location of prospecting traverses on a Google Earth image of the Property. A total of 52.6 traverse kilometres were done in 2012. Where mineralization was observed, samples were collected for lithogeochemical analyses. Figure 12 shows the location of samples collected in 2012. Analytical results are summarized in Table 6.

Samples collected in 2012 by Craig Lynes were sent to ALS Laboratories in Kamloops for analysis. The analytical method used was conventional Inductively Coupled Plasma - Atomic Emission Spectroscopy (ICP - AES). A standard Fire Assay with Atomic Absorption finish on a 30g sample was used to determine Au concentrations. For the ICPAES technique, sample decomposition was done by nitric agua regia digestion. A prepared sample is digested with aqua regia in a graphite heating block. After cooling, the resulting solution is diluted to 12.5 mL with deionized water, mixed and analyzed by inductively coupled plasma-atomic emission spectrometry. The analytical results are corrected for interelement spectral interferences. It should be noted that in the majority of geological matrices, data reported from an aqua regia leach should be considered as representing only the leachable portion of the particular analyte. ALS runs standards and provides re-samples at varying intervals for each sample shipment analysed.

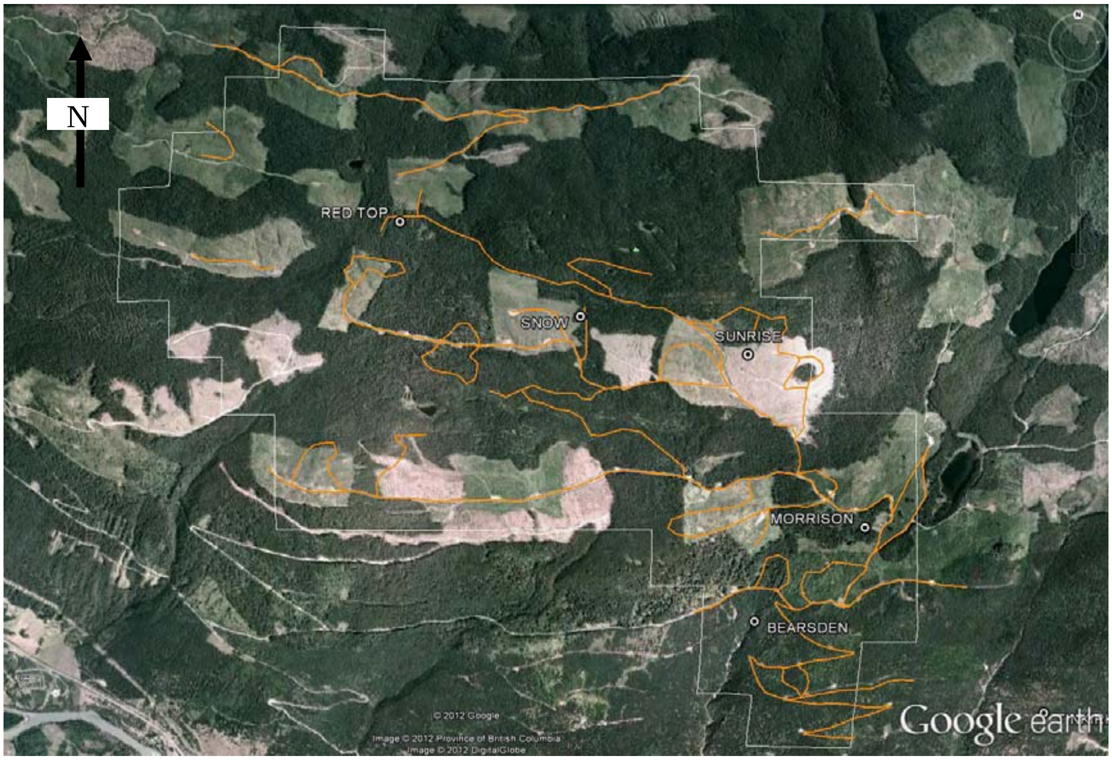

Figure 11. Traverse lines (orange) done by Craig Lynes in 2012 and location of showing (dots) superimposed on a Google Earth image of the Property. White to light grey areas are clearcuts, dark grey areas are forested, black areas are lakes and grey lines are roads. Imagery used by Google Earth is from the Province of British Columbia and is dated 2012.

<u>Rock Samples</u>

A total of 22 rock samples were collected and analyzed as part of 'the Vendor's targeted geochemical program. Original analytical certificates issued by Acme for this work were provided to the Author. Analytical results for Cu, Zn, Pb, Au, Ag, As, Fe and S are given in Table 6. Several samples returned anomalous results. The best result was for sample 708934 (No. 3, Figure 12) which returned 828 ppm Cu and 2.65% Zn and 3.9 ppm Ag. This sample is described as a 40 centimetre wide subcrop of quartz with visible sphalerite, chalcopyrite and pyrite. A total of 8 of the 22 samples collected contained greater than 500 ppm Cu, one sample contained 4090 ppm Pb (No 1, Figure 12).

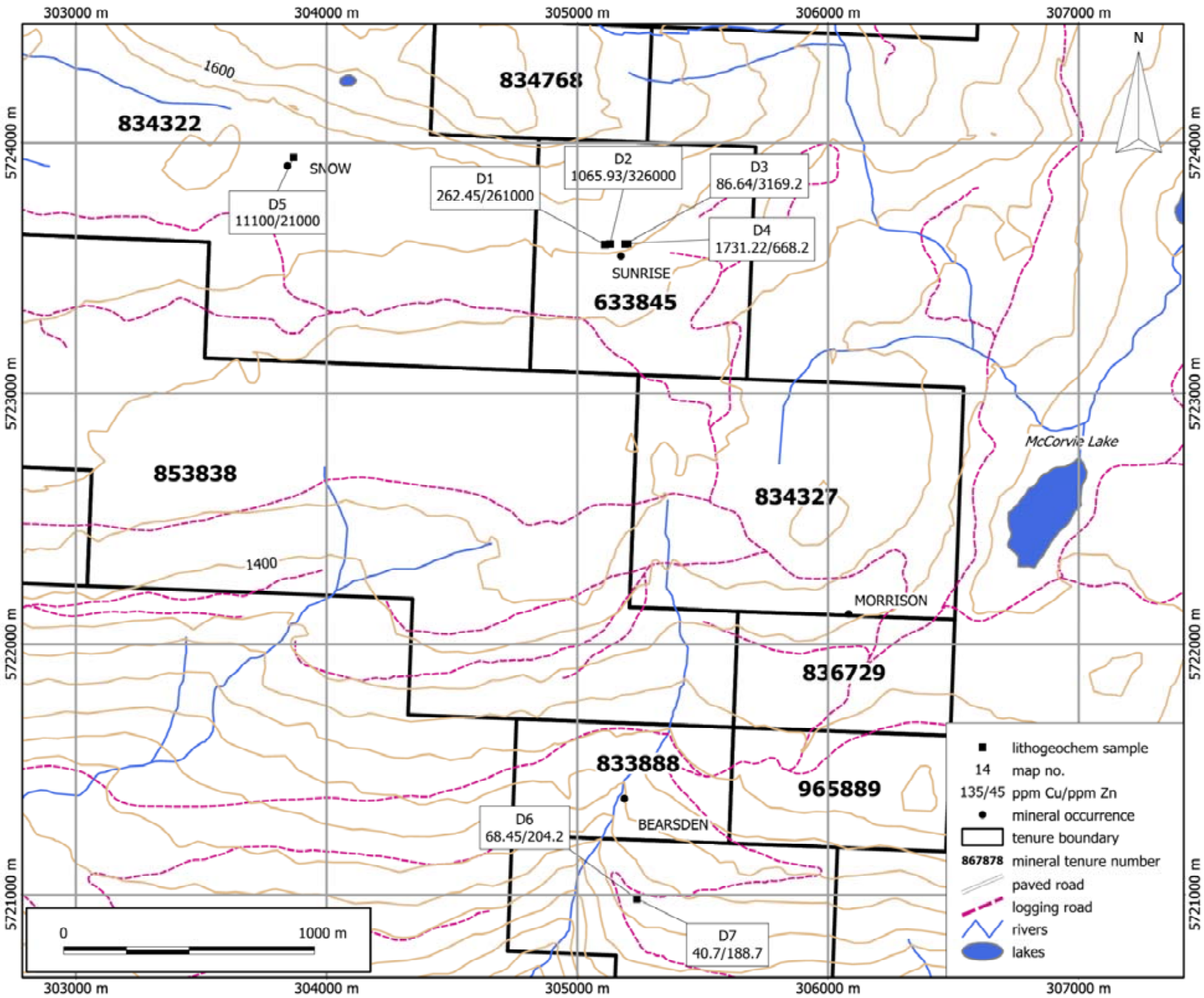

Figure 12. Location of 2012 lithogeochemical samples collected by Craig Lynes.

The Author is confident that Craig Lynes and his field crew collected the samples listed in Table 6 following current industry best practices and that a sufficient level of sample security was employed.

Table 6. Summary of analytical results for grab samples collected by Craig Lynes, 2012.

Map No.	Sample	Easting	Northing	Description	Cu ppm	Zn ppm	Pb ppm	Au ppm	Ag ppm	Fe %	S %
1	708932	302130	5723778	rusty quartz vein material - subcrop and end of logging spur	25	1495	**4090**	0.057	76.3	1.88	0.92
2	708933	302117	5723755	quartz-carb. vein material with py,	9	243	137	0.134	0.9	3.65	1.14
3	708934	302086	5724475	40cm angular quartz subcrop with sph., cpy., py.	**828**	**26500**	175	<0.005	**3.9**	9.85	>10.0

Map No.	Sample	Easting	Northing	Description	Cu ppm	Zn ppm	Pb ppm	Au ppm	Ag ppm	Fe %	S %
4	708935	302024	5724367	quartz with massive po in roadcut… old trench?	447	37	4	<0.005	**1.2**	22.8	>10.0
5	708936	302025	5724368	massive po with minor cpy same trench area	**505**	34	3	0.02	**1.3**	39.4	>10.0
6	708937	302677	5723755	quartz subcrop in road cut	88	42	27	<0.005	<0.2	3.2	0.53
7	708938	303316	5723689	sucrosic quartz subcrop with py	67	64	17	<0.005	0.4	5.04	3.3
8	708939	303718	5723750	quartz with massive po and minor cpy	143	14	7	<0.005	0.4	7.94	4.8
9	708940	303816	5723570	mineralised outcrop in road bed	59	30	14	<0.005	0.3	6.19	4.11
10	708941	303841	5723240	epidote rich skarn with diss py minor cpy?	338	18	7	0.007	0.3	8.91	1.05
11	708942	303852	5723241	epidote skarn with blebs semi massive pyrite	186	51	298	0.02	0.4	9.33	6.28
12	708943	303661	5723298	epidote skarn with minor diss. cpy and mal. in outcrop	378	140	14	0.009	<0.2	3.02	0.36
13	708944	302632	5723439	0.5m quartz vein in outcrop rusty and micaceous	66	50	9	0.017	<0.2	4.15	0.28
14	708945	304813	5723322	massive po in outcrop in road bed	**859**	27	3	<0.005	0.7	33	>10.0
15	708946	304843	5723351	quartz with massive po minor cpy in old trench	458	29	6	<0.005	0.5	11.05	8.52
16	708947	302340	5722975	quartz vein in outcrop with py and cpy - malachite stained	**3870**	63	6	**0.652**	**6.2**	3.7	1.29

Map No.	Sample	Easting	Northing	Description	Cu ppm	Zn ppm	Pb ppm	Au ppm	Ag ppm	Fe %	S %
17	708948	302333	5722954	40cm quartz vein in outcrop vuggy with magnetite cpy	474	10	3	0.025	**1.7**	2.14	0.7
18	708949	302334	5722953	same vein with mal. stain in area of epidote alt zone	**1385**	40	3	0.028	**1.2**	1.43	0.14
19	708950	302329	5722948	angular quartz subcrop with mal.	**7840**	71	12	0.097	**7.6**	5.52	1.39
20	14701	302029	5722961	massive py. near skarn zone with epidote	67	12	23	<0.005	0.3	20.4	>10.0
21	14702	302267	5722838	semi-massive py with magnetite in road bed	**994**	306	16	0.023	0.9	26.9	>10.0
22	14703	302561	5722700	massive magnetite minor py - subcrop float	**1915**	249	10	<0.005	0.4	32.9	>10.0

DRILLING

Only limited diamond drilling has been done on the Red Top - Sunrise Property and this work is described in the History section of this Summary of the Report. No recent diamond drilling has been done on the Property which is still in the early stages of exploration.

SAMPLE PREPARATION, ANALYSES AND SECURITY

Rock samples collected by the Author in 2012 were placed in labelled plastic bags, with a label also placed within the bag and taken directly to the Acme Analytical Laboratories Ltd. ("**Acme**") preparatory laboratory in Smithers B.C. Acme is an accredited laboratory registered under the ISO 9001 standard. At the lab each rock sample was crushed to 70% passing 10 mesh followed by pulverizing a 250gm split to 95% passing 150 mesh. Only the author handled or had access to the samples before they arrived at the preparatory lab.

After crushing and sieving, a 250 gram sample at -200 mesh was prepared and shipped to Acme's Vancouver laboratory for analyses. A full suite of 53 elements were determined by ICP Mass Spectrometry following an Aqua Regia digestion. For well mineralized samples, Cu, Pb, Zn and Ag were determined by a hot Aqua Regia digestion and ICP Emission Spectrometry while Au, Pt and Pb were determined by Fire Assay fusion and ICP-MS analysis.

Acme runs standards and provides re-samples at varying intervals for each sample shipment analysed. A re-sample consists of analysing a second cut (subsample) from the same sample pulp (or occasionally reject portion), and is reported as a rerun (RE) or reject rerun (RRE) on the analysis certificate. In most cases there has been good reproducibility of results between the original subsamples and re-samples, with the exception of gold at the lower end of the detection range in some stream sediment and soil samples.

The Author is satisfied that the quality control and quality assurance methods employed by Acme are sufficient to ensure a high level of precision and accuracy in the analytical results produced by the lab. The author has no reason to believe that there are any problems with the security, sample preparation or analytical procedures used by Acme.

DATA VERIFICATION

The Author collected 7 lithogeochemical samples during a property visit on July 27, 2012. These samples were collected from the Sunrise, Snow and Bearsden showings (Figure 13).

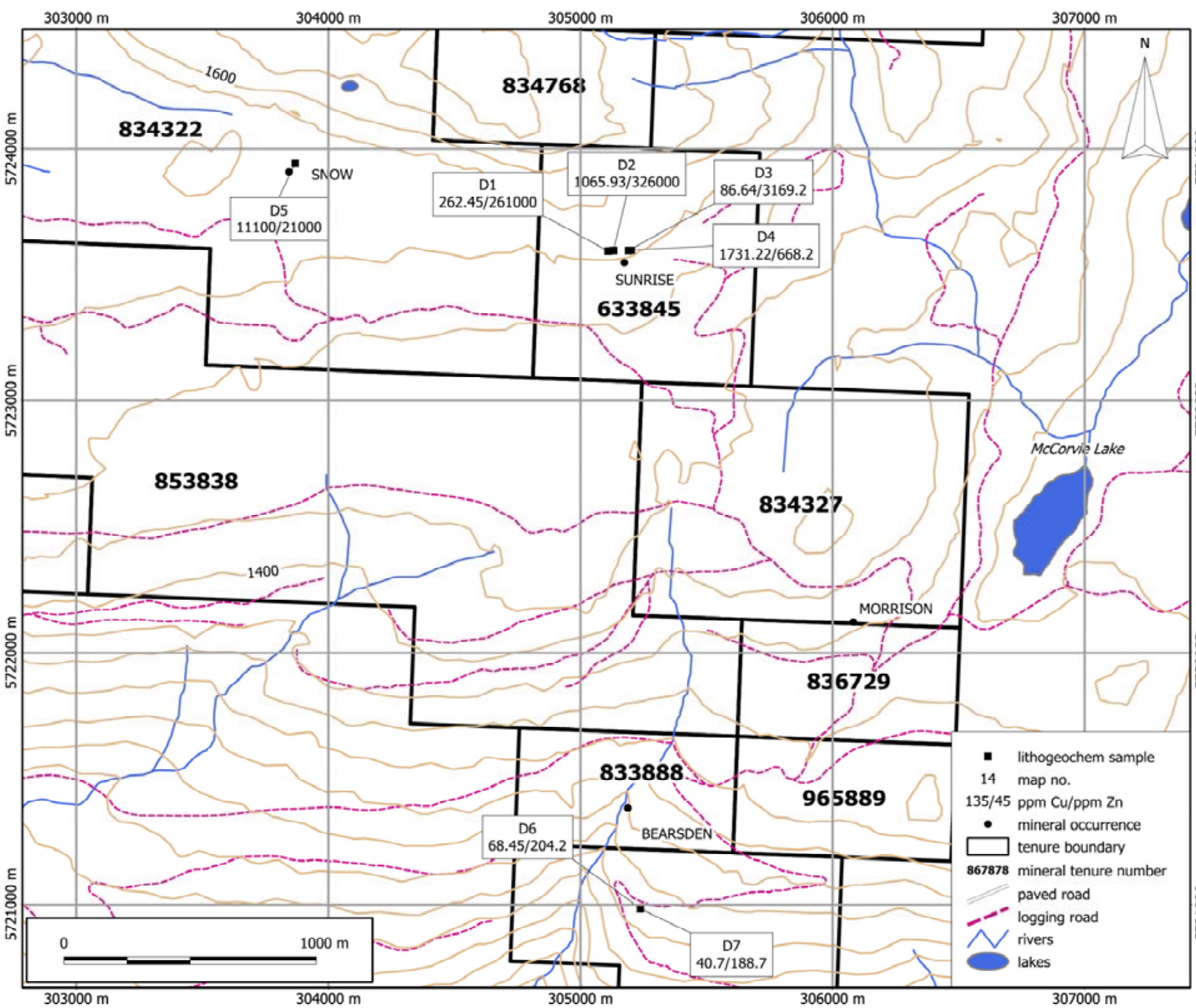

Figure 13. Location of 2012 lithogeochemical samples collected by the Author

The purpose of this sampling was to verify the historical grades reported from these showings. A description of each sample is given in Table 7; analytical results are given in Tables 8 and 9.

Table 7. Description and location information for grab samples collected by the Author, July 2012. Sample locations are shown on Figure 13.

Map No.	Sample	Easting	Northing	Showing	Description
D1	SR12-001	305110	5723594	Sunrise	massive sulphide float from end of trench
D2	SR12-002	305131	5723597	Sunrise	massive sulphide float from bottom of trench
D3	SR12-003	305190	5723596	Sunrise	rusty quartz-sericite-schist
D4	SR12-004	305200	5723598	Sunrise	massive sulphide float on surface near trenches
D5	SR12-005	303868	5723942	Snow	quartz-muscovite schist float with mass. sulphide bands
D6	SR12-006	305238	5720983	Bearsden	quartz float with galena
D7	SR12-007	305238	5720983	Bearsden	schist with quartz, mariposite, galena

Note: coordinates are in UTM zone 11, datum NAD83

Samples of massive sulphide collected by the Auhtor from the Sunrise showing returned high values for Zn (26.1% and 32.6%), Pb (9.57% and 4.34%) and Ag (104 and 227 grams per tonne) and moderately anomalous values in Cu (D1,D2, Table 9) . Sample D2 also contained anomalous Au (823 ppb). A sample of quartz-muscovite schist with massive sulphide bands from the Snow showing contained 4.72% Pb, 2.1% Zn, 1.11% Cu and 259 grams per tonne (GM/T) Ag (D5, Table 9). These results are comparable to results reported by previous operators on the Property and confirm the presence of high grade massive sulphide mineralization at the Sunrise and Snow showings. A sample collected from the Bearsden showing (D6, Table 9) contained 1.14% Pb and 33 GM/T Ag.

Table 8. ICP-MS analytical results for samples listed in Table 6.

Map No.	Cu PPM	Zn PPM	Pb PPM	Au PPB	Ag PPB	As PPM	Ni PPM	Co PPM	Fe %	S %	Hg PPB
D1	262.45	>10000.0	>10000.00	107	>100000	0.6	54.2	44	14.93	9.76	22259
D2	1065.93	>10000.0	>10000.00	1221	>100000	<0.1	92.1	47.4	17.59	9.09	15041
D3	86.64	3169.2	781.13	<100	3102	0.2	29.3	4.9	3.05	0.74	112
D4	1731.22	668.2	176.23	<100	1700	0.7	112.9	93.4	>40.00	>10.00	51
D5	>10000.0	>10000.0	3952.65	133	>100000	49.4	23.4	22.9	28.48	>10.00	525
D6	68.45	204.2	>10000.00	<100	33670	32.2	172	29.6	4.72	0.65	16
D7	40.7	188.7	6937.55	<100	13994	11.4	68.4	9.9	4.48	0.26	19

Table 9. Assay results for high grade samples listed in Table 7.

Map No.	Cu %	Zn %	Pb %	Au PPB	Ag GM/T
D1	0.022	26.1	9.57	68	104
D2	0.109	32.6	4.34	823	227
D5	1.11	2.1	4.72	78	259
D6	0.004	0.02	1.14		33

Note: Cu, Zn, Pb, Ag by ICP-ES; Au by fire assay/ICP-MS

MINERAL PROCESSING AND METALLURGICAL TESTING

There is no record of any mineral processing or metallurgical testing having been done on samples collected from the Red Top - Sunrise Property.

MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

There has not been sufficient drilling to determine the subsurface extent and overall grade of mineralization on the Red Top - Sunrise Property. Therefore, there are no historical mineral resource estimates for the Property.

ADJACENT PROPERTIES

There is no publically available information that would indicate there are significant mineral resources on adjacent mineral tenures. Therefore, it is unlikely these properties would have a significant impact on the potential development of the Red Top – Sunrise Property.

OTHER RELEVANT DATA AND INFORMATION

The Author has reviewed all publically available reports pertaining directly to the Property. The Author is not aware of any additional sources of information that might significantly change the conclusions presented in this technical report.

INTERPRETATION AND CONCLUSION

The Red Top - Sunrise Property is a property of merit. In the Author's opinion more work is needed to fully evaluate the economic potential of the Property. The Property is attractive because it is readily accessible and within an area considered prospective for sediment hosted massive sulphide deposits. Previous exploration has located several massive sulphide showings over a strike length of 3.6 kilometres. Sampling by the current and previous operators has returned assay values from surface trenches that grade in excess of 30% Zn. Moderately high Pb and Ag values have also been returned.

The results of the airborne radiometric/magnetic survey described in the Report have identified areas of anomalous response that cannot be directly explained on the basis of known geology. Further work is needed to determine the significance of these anomalies, particularly the north trending magnetic anomaly that cross cuts the regional stratigraphy in the center of the Property. The elongate westerly trending K radiometric anomaly in the central half of the Property may be due to increased concentration of potassic minerals such as K-feldspar or K-bearing mica. Both of these minerals are found in zones of hydrothermal alteration. Conversely, areas of low K radiometric response may represent zones of feldspar destructive hydrothermal alteration.

There does not appear to be any direct correlation between elevated magnetic response and the known bedrock geology. More follow up work is needed to determine what is causing the magnetic anomalies on the Property. Some of these magnetic highs could be due to the presence of magnetic minerals associated with massive sulphide mineralization.

RECOMMENDATIONS

The primary targets on the Red Top – Sunrise Property are stratabound massive sulphide beds and lenses containing high grade Zn, Pg and Ag values. The occurrences that have been found to date are encouraging and suggest a favourable environment for this type of deposit. Because this type of massive sulphide deposit occurs within specific geologic units and typically produces a strong electromagnetic response it is recommended that a close-spaced airborne electromagnetic survey be flown over the Property. Flight lines at 100 metre separation should be oriented approximately north-south in order to cross the stratigraphy at a right angle. Any strong conductors and EM cross-overs detected should be followed up with additional prospecting, targeted soil sampling and close spaced ground electromagnetic and magnetic surveys. Depending on the results of these follow up surveys, a program of diamond drilling could be done to test the best targets.

A proposed success contingent, two stage work program is presented in Table 10. Stage 1 would focus on the airborne electromagnetic survey, compilation of all existing data and new data onto a common base and targeted follow-up geophysical and geochemical ground surveys. Stage 2 would involve diamond drilling of the best targets. The projected cost of the Stage 1 program is $224,800.

Table 10. Projected costs for a proposed exploration program, Red Top - Sunrise Property

Stage 1

Expense		Units	Unit cost	Total
Data compilation	10	person days	$600	$6,000
Airborne ZTEM survey	260	line-km	$330	$85,800
Ground geophysics/geochem	20	line-km	$3,000	$60,000
Per diem costs	80	person days	$100	$8,000
Analytical	200	analyses	$30	$6,000
Geologist/camp manager	20	person days	$600	$12,000
Field assistants (3)	60	person days	$300	$18,000
Report preparation	10	days	$600	$6,000
Permitting	5	days	$600	$3,000
Contingency				$20,000
			Total	$224,800

Stage 2

Expense		Units	Unit cost	Total
Drilling	2000	metres	$160	$320,000
Per diem costs	240	Person days	$100	$24,000
Analytical	300	analyses	$30	$9,000
Geologists/camp manager	30	Person days	$600	$18,000
Report preparation	10	days	$600	$6,000
Contingency 10%				$37,100
			Total	$414,100
			Stage 1+2	$638,900

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USE OF PROCEEDS

FUNDS AVAILABLE

The Company will receive aggregate gross proceeds of $450,000 from the Offering (assuming no exercise of the Over-Allotment Option). These funds will be combined with the Company's existing cash balance of approximately $17,751 as at October 31, 2014 for a total of $467,751 available funds upon completion of the Offering.

The Company has negative cash flow from operations in its most recently completed financial year.

PRINCIPAL PURPOSES

The principal purposes for which the funds available to the Company upon completion of the Offering will be used are as follows:

Principal Purpose	Funds to be Used(1)
To pay accrued accounts payable of the Company(2)	$81,651
To pay the balance of the estimated remaining costs of the Offering (including legal, regulatory, audit, listing fees, filing fees, expenses of the Agent and printing expenses)	$75,000
To pay the Agent's Commission	$45,000
To pay the Agent's corporate finance fee (plus applicable taxes)	$45,000
To pay the Property payment due under the Option Agreement on the Listing Date	$15,000
To complete a portion of the recommended exploration program on the Red Top - Sunrise Property for 12 months(3)(4)	$85,800
To provide funding sufficient to meet administrative costs for 12 months(5)	$120,300
Total:	**$467,751**

Notes:

1. See table in preceding section under heading "Recommendations" for a summary of the work to be undertaken, a breakdown of the estimated costs, and the nature of title to or the Company's interest in the Property.
2. This amount represents indebtedness that was incurred by the Company in the course of its operations, and was incurred principally for rent, professional fees and management fees. Of this amount, $21,000 is owing to Matalia Investments Ltd., a company controlled by Robert Coltura, $21,053 and $11,910 owing to J.A. Minni & Associates Inc. and Earls Cove Financial Corp., respectively, both companies controlled by Jerry Minni, and $23,625 owing to Syndicated Capital Corp., a company by Salman Jamal.
3. The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. In the event of exercise of the Over-Allotment Option, the Company will use the proceeds for general working capital.
4. Assuming the completion of the Offering, the Company will not have sufficient funds to complete the full phase 1 recommended work program on the Red Top-Sunrise Property, as set forth in the Report. The Company only anticipates spending $85,800 on the Property in the first twelve (12) months following the Listing Date. As recommended in the Report, the Company anticipates completing an Airborne ZTEM Survey on the Property in the first twelve (12) months following the Listing Date.
5. See Table below.

Upon completion of the Offering, the Company's working capital available to fund ongoing operations will be sufficient to meet its administrative costs and exploration expenditures for twelve months. Administrative expenditures for the following twelve months are comprised of the following:

Administrative Costs for 12 Months	Budget
Management and fees	$81,000
Rent and utilities	$9,000
Transfer Agent	$5,000
Legal, exchange, corporate filings – fees and costs	$10,500
Accounting & auditing	$10,500
Other general and administrative costs(1)	$4,300
TOTAL:	$120,300

Note:

1. The Company has not allocated these funds to a specific purpose at this time, and assuming completion of the Offering, they will form part of the general working capital of the Company. To the extent necessary, the Company will utilize these funds to fund any negative cash flow in future periods.

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

In the event of exercise of the Over-Allotment Option, the Company will use the proceeds for general working capital.

STATED BUSINESS OBJECTIVES AND MILESTONES

The Company's business objectives using the available funds are to:

(i) obtain a listing of the Common Shares on the Exchange; and,

(ii) complete the proposed exploration program on the Red Top - Sunrise Property recommended in the Report.

The listing of the Company on the Exchange is anticipated to occur shortly after completion of the Offering, subject to the Company fulfilling all of the requirements of the Exchange. Upon completion of the Offering, the exploration program is expected to commence shortly thereafter and it is estimated to be completed within 12 to 18 months. Assuming completion of the Offering, the Company will not have sufficient funds to complete the full proposed exploration program on the Property, as recommended by the Report. The Company will need to raise additional financing in order to complete the proposed program, and there is no assurance that the Company will be successful in raising such financing. The Company anticipates completing an Airborne ZTEM Survey on the Property as part of the recommended work program set out in the Report. See "Use of Proceeds Principal Purposes".

DIVIDENDS OR DISTRIBUTIONS

The Company has not paid dividends since its incorporation. While there are no restrictions precluding the Company from paying dividends, it has no source of cash flow, and anticipates using all available cash resources toward its stated business objectives. As such the Company does not anticipate the payment of dividends in the foreseeable future. At present, the Company's policy is to retain earnings, if any, to finance its business operations. The payment of dividends in the future will depend upon, among other factors, the Company's earnings, capital requirements and operating financial conditions.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY OF FINANCIAL INFORMATION

The following table sets forth summary financial information for the Company for the year ended June 30, 2014 and for the period from incorporation to June 30, 2013. This information has been summarized from the Company's audited financial statements and should only be read in conjunction with the Company's financial statements, including the notes thereto, included elsewhere in this Prospectus.

	For the year ended June 30, 2014 (audited)	**For the period from incorporation to June 30, 2013 (audited)**
Total Revenues	Nil	Nil
Exploration Expenditures	Nil	$119,535
General and Administrative Expenses	($100,081)	($93,620)
Stock-based compensation expense	-	($237,000)
Loss for the Period	($100,081)	($330,620)
Loss per share (basic and diluted)	($0.02)	($0.08)
Total Assets	$140,220	$140,749
Long term financial liabilities	Nil	Nil
Cash dividends per share	Nil	Nil

MANAGEMENT DISCUSSION AND ANALYSIS:

The following discussion of the operating results and financial position of the Company should be read in conjunction with the audited financial statements and related notes for the year ended June 30, 2014 and for the period from incorporation to June 30, 2013. The financial statements are included in this Prospectus and should be referred to when reading this disclosure. The financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. The effective date of this management discussion is June 30, 2014.

For the year ended June 30, 2014

<u>Overall Performance and Results of Operations</u>

The Company was incorporated in the province of British Columbia on July 20, 2012. The following table summarizes selected information from the Company's audited financial statements for the year ended June 30, 2014.

Selected Annual Information

	June 30, 2014 (audited)	June 30, 2013 (audited)
Net revenues	Nil	Nil
Loss for the period	($100,081)	($330,620)
Deficit	($430,701)	($330,620)
Total assets	$140,220	$140,749
Total long term liabilities	Nil	Nil
Dividends	Nil	Nil
Loss per share	($0.02)	($0.08)

Outstanding Common Shares

As at June 30, 2014, the Company's share capital was comprised of 6,137,501 Common Shares. Subsequent to June 30, 2014, the Company issued 350,000 Common Shares, at a price of $0.08 per Common Share for gross proceeds of $28,000. As at June 30, 2013, the Company's share capital was comprised of 4,700,001 Common Shares.

Overall Performance

On July 27, 2012, a total of 3,000,000 Common Shares at $0.001 per Common Share for gross proceeds of $3,000 were subscribed for by directors of the Company, allowing the Company to effectively commence operations. On July 25, 2012, the Company entered into the Option Agreement whereby the Company was granted an option to acquire a 100% right, title and interest in and to 5 mineral occurrences situated in the Kamloops Mining Division in British Columbia, comprising the Red Top - Sunrise Property. The option is exercisable by paying a total of $100,000 over a period of 4 years and issuing a total of 175,000 Common Shares to the Vendor over a period of 24 months, commencing after the Company's shares are listed on the Exchange. In addition, the Company is to incur a total of $1,000,000 in expenditures on the Red Top - Sunrise Property over a period of 4 years from the Listing Date.

Results of Operations

The Company incurred a loss of $330,620 during the period from incorporation to June 30, 2013. The loss resulted from audit fees and other general and administrative costs incurred. As there were no operations prior to this period, no comparative information is available

Results of Operations for the Financial Year ended June 30, 2014 Compared to the Financial Year ended June 30, 2013

During the financial period ended June 30, 2014, the Company reported $Nil in revenue (2013 – $Nil) and a net loss of $100,081 ($0.02 per common share). The Company reported a net loss of $330,620 ($0.08 per common share) for the financial year ended June 30, 2013. The decrease in the net loss in the financial year ended June 30, 2014 relates to a one-time share based compensation expense of $237,000, recorded by the Company in the financial year ended June 30, 2013.

Total expenses for the period ended June 30, 2014 were $100,081 (2013 - $330,620). During the financial year ended June 30, 2014, the Company incurred exploration expenditures aggregating $Nil

(2013 - $119,535). During the financial period ended June 30, 2014, the Company also incurred share based compensation expense in the amount of $Nil (2013 - $237,000).

Summary of Quarterly Results

The Company is not a reporting issuer and was not required to prepare interim financial statements therefore, quarterly results are not available. The Company will report interim results following listing on the Exchange.

Liquidity and Capital Resources

As described above, the Company raised $138,260 by way of a private placement in the year ended June 30, 2013. During the financial year ended June 30, 2014, the Company raised $114,010 by way of a private placement. The net working capital deficiency of the Company at June 30, 2014 amounted to $60,966 (2013 - $76,395).

The Company has historically met all cash requirements for operations by equity or by debt financing. However, future funding needs of the Company are dependent upon the Company's ability to obtain additional equity and/or debt financing. The Company continues to closely monitor its ongoing requirements and to explore all methods of raising additional funds. There can be no certainty that such additional funds may be raised when required.

Significant Accounting Policies and Estimates

The preparation of financial statements requires management to establish accounting policies, estimates and assumptions that affect the timing and reported amounts of assets, liabilities revenues and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances, and require judgment on matters which are inherently uncertain. Details of the Company's significant accounting policies can be found in Note 2 of the audited financial statements for the year ended June 30, 2014 included in this Prospectus.

Outstanding Common Shares

As at June 30, 2014, a total of 3,000,001 Common Shares at $0.001 per Common Share for proceeds of $3,000 and 1,275,000 Common Shares at $0.08 per Common Share for proceeds of $102,000 were subscribed for by directors of the Company and a total of 1,862,500 Common Shares at $0.08 per Common Share for proceeds of $149,000 were subscribed for by non-principals.

Related Party Transactions

As at June 30, 2014, the Company owes an aggregate of $77,588 (2013 - $58,071) to companies controlled by directors of the Company, being Matalia Investments Ltd. ($21,000), Syndicated Capital Corp. ($23,625), J.A. Minni & Associates Inc. ($21,053) and Earl Cove Financial Corp. ($11,910). These obligations are unsecured, are non-interest bearing and have no fixed terms of repayment. There are no ongoing contractual obligations to these parties, however the Company expects to continue to incur fees to these parties as services are rendered in the future.

Off Balance Sheet Arrangements

The Company has no off balance sheet arrangements

DESCRIPTION OF SECURITIES DISTRIBUTED

COMMON SHARES

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value and an unlimited number of preferred shares without par value ("**Preferred Shares**"). As of the date of this Prospectus, 6,487,501 Common Shares are issued and outstanding as fully paid and non-assessable and no Preferred Shares are outstanding. The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the board of directors of the Company may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company.

AGENT'S WARRANTS

The Company has also agreed to grant to the Agent the Agent's Warrants entitling the Agent to purchase that number of Common Shares as is equal to 10% of the number of Shares sold pursuant to the Offering, and to issue to the Agent 250,000 Corporate Finance Shares. The distribution of the Agent's Warrants and the Corporate Finance Shares to the Agent is qualified under this Prospectus. See "Plan of Distribution".

CONSOLIDATED CAPITALIZATION

The following table summarizes the changes in the Company's capitalization since incorporation and after giving effect to the Offering. The table should be read in conjunction with the financial statements appearing elsewhere in this Prospectus:

Designation of Security	Authorized Amount	Amount Outstanding as of June 30, 2014	Amount Outstanding at Date of the Prospectus	Amount Outstanding After the Offering
Common Shares	Unlimited	6,137,501 Shares	6,487,501 Shares	11,322,501[(1)] Shares
Options	N/A	Nil	800,000	800,000[(2)]
Warrants	N/A	Nil	Nil	Nil
Agent's Warrants	N/A	Nil	Nil	450,000[(3)]
Preferred Shares	Unlimited	Nil	Nil	Nil
Long Term Debt	N/A	Nil	Nil	Nil

Notes:
1. Does not include any Common Shares issuable on exercise of the Agent's Warrants or Over-Allotment Option. Includes the Corporate Finance Shares and Shares issuable on listing to the Vendor.
2. Exercisable at $0.10 per Common Share for a period of ten (10) years from the Listing Date.
3. Exercisable at $0.10 per Common Share until 24 months from the Listing Date.

OPTIONS TO PURCHASE SECURITIES

STOCK OPTION PLAN

The Stock Option Plan was adopted by the Company's board of directors on September 15, 2014. The purpose of the Stock Option Plan is to advance the interests of the Company and its shareholders and subsidiaries by attracting, retaining and motivating the performance of selected directors, officers, employees or consultants of the Company of high caliber and potential and to encourage and enable such persons to acquire and retain a proprietary interest in the Company by ownership of its stock. The Stock Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance, set aside and made available for issuance under the Stock Option Plan may not exceed 10% of the issued and outstanding shares of the Company at the time of granting of options (including all options granted by the Company to date, if applicable). The number of Common Shares which may be reserved in any 12 month period for issuance to any one individual upon exercise of all stock options held by that individual may not exceed 5% of the issued and outstanding Common Shares of the Company unless the Company has obtained disinterested shareholder approval. The number of Common Shares which may be reserved in any 12 month period for issuance to any one Consultant, or to any one employee or consultant engaged in investor relations activities may not exceed 2% of the issued and outstanding Common Shares of the Company. The Stock Option Plan provides that options issued to consultants performing investor relations activities will vest in stages over 12 months with no more than ¼ of the options vesting in any three month period.

The Stock Option Plan will be administered by the board of directors of the Company, which will have full and final authority with respect to the granting of all options thereunder. Options may be granted under the Stock Option Plan to such directors, officers, employees or consultants of the Company and its affiliates, if any, as the board of directors may from time to time designate. Options may also be granted to employees of management companies providing management services to the Company. The exercise price of any options granted under the Stock Option Plan shall be determined by the board of directors, but may not be less than the market price of the Company's shares on the Exchange on the date of the grant (less any discount permissible under Exchange rules) subject to a minimum price of $0.05. The term of any options granted under the Stock Option Plan shall be determined by the board of directors at the time of grant but, subject to earlier termination in the event of dismissal for cause, termination other than for cause or in the event of death, the term of any options granted under the Stock Option Plan may not exceed ten years. If desired by the board of directors, options granted under the Stock Option Plan may be subject to vesting. Options granted under the Stock Option Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession. Subject to certain exceptions, in the event that a director or officer ceases to hold office, options granted to such director or officer under the Stock Option Plan will expire 90 days after such director or officer ceases to hold office or such longer period as determined by the board of directors of the Company. Subject to certain exceptions, in the event that an employee, consultant or management company employee ceases to act in that capacity in relation to the Company, options granted to such employee, consultant or management company employee under the Stock Option Plan will expire 90 days after such individual or entity ceases to act in that capacity in relation to the Company or such longer period as determined by the board of directors of the Company. In the event of death of an option holder, options granted under the Stock Option Plan expire six months from the date of the death of the option holder, subject to the board of directors having the authority to extend the expiry date to a maximum of twelve months from the date of death of the option holder.

OUTSTANDING OPTIONS

The Company currently has 800,000 stock options outstanding. The following table summarizes the options of the Company that will be outstanding as of the Listing Date pursuant to the Stock Option Plan.

Optionee	Designation and number of Securities Under Option	Expiry Date	Purchase Price per Common Share	Market Value of Common Shares as of the date of this Prospectus[(4)]
Executive Officers of the Company	400,000 Common Shares[(2)]	10 years[(1)]	$0.10	N/A
Directors of the Company (other than Executive Officers)	400,000 Common Shares[(3)]	10 years[(1)]	$0.10	N/A
Consultants of the Company	Nil Common Shares	N/A[(1)]	N/A	N/A

Notes:

1. The options are exercisable from the Listing Date to the date which is ten (10) years from the Listing Date.
2. Held as to 200,000 by Robert Coltura, the President and CEO of the Company and 200,000 by Jerry Mini, the CFO of the Company.
3. Held as to 200,000 by Steve Butrenchuk and 200,000 by Salman Jamal.
4. As the Company's shares were not listed on any stock exchange on the date of grant of the options, the market value of the Common Shares cannot be ascertained.

WARRANTS

The Company currently has no share purchase warrants outstanding.

AGENT'S WARRANTS

The Company has agreed to issue Agent's Warrants for the purchase of up to that number of Common Shares as is equal to 10% of the Shares of the Company sold pursuant to the Offering, exercisable at a price of $0.10 per Common Share for a period of 24 months from the Listing Date.

PRIOR SALES

The following table summarizes the sales of securities of the Company since incorporation.

Date	Type of Security	Price per Security	Number of Securities	Reason for Issuance
July 20, 2012	Common Shares	$0.001	1	Incorporator's Share
July 27, 2012	Common Shares	$0.001	3,000,000	Issuance of Shares to Directors
	Flow-Through Common Shares	$0.08	300,000	Private Placement
July 30, 2012	Flow-Through Common Shares	$0.08	100,000	Private Placement
July 31, 2012	Flow-Through Common Shares	$0.08	100,000	Private Placement
August 12, 2012	Common Shares	$0.08	125,000	Private Placement

Date	Type of Security	Price per Security	Number of Securities	Reason for Issuance
August 14, 2012	Flow-Through Common Shares	$0.08	100,000	Private Placement
October 3, 2012	Common Shares	$0.08	100,000	Private Placement
December 27, 2012	Common Shares	$0.08	250,000	Private Placement
January 14, 2013	Common Shares	$0.08	375,000	Private Placement
	Flow-Through Common Shares	$0.08	250,000	Private Placement
June 7, 2014	Common Shares	$0.08	125,000	Private Placement
June 12, 2014	Common Shares	$0.08	187,500	Private Placement
June 20, 2014	Common Shares	$0.08	1,125,000	Private Placement
July 24, 2014	Common Shares	$0.08	350,000	Private Placement
Total Common Shares Issued			**6,487,501**	

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

ESCROWED SECURITIES

Under the applicable policies and notices of the Canadian Securities Administrators, securities held by Principals are required to be held in escrow in accordance with the national escrow regime applicable to initial public distributions. Equity securities owned or controlled by Principals, including Common Shares are subject to the escrow requirements.

Principals include all persons or companies that, on completion of the Offering, fall into one of the following categories:

(a) Directors and senior officers of the Company, as listed in this Prospectus;

(b) Promoters of the Company during the two years preceding this Offering;

(c) Those who own and/or control more than 10% of the Company's voting securities immediately after completion of this Offering if they also have appointed or have the right to appoint a director or senior officer of the Company or of a material operating subsidiary of the Company

(d) Those who own and/or control more than 20% of the Company's voting securities immediately after completion of this Offering; and

(e) Associates and affiliates of any of the above.

The Principals of the Company are all of the directors and senior officers of the Company.

Pursuant to the Escrow Agreement to be entered into between the Company, Equity Financial Trust Company (the "**Escrow Agent**") and various Principals of the Company, the Principals agree to deposit in escrow the Shares and Warrants held by them (the "**Escrowed Securities**") with the Escrow Agent. The Escrow Agreement will provide that the Escrowed Securities will be released from escrow in equal blocks of 15% of a Principal's Escrowed Securities at six month intervals over the 36 months following the Listing Date, with 10% of each Principal's holdings being released on the Listing Date.

The Company is an "emerging issuer" as defined in the applicable policies and notices of the Canadian Securities Administrators, and if the Company achieves "established issuer" status during the term of the Escrow Agreement, it will "graduate," resulting in a catch-up release and an accelerated release of any securities remaining in escrow under the 18-month schedule applicable to established issuers, as if the Company had originally been classified as an established issuer.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities may not be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within the escrow are:

1. transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or of a material operating subsidiary, with approval of the Company's Board;

2. transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children;

3. transfers upon bankruptcy to the trustee in bankruptcy; and

4. pledges to a financial institution as collateral for a bona fide loan, provided that upon a realization the securities remain subject to escrow. Tenders of Escrowed Securities to a take-over bid are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

The complete text of the Escrow Agreement will be available for inspection at the offices of the Company's legal counsel, Suite 1600, 609 Granville Street, Vancouver, British Columbia, V7Y 1C3.

The following table sets forth details of the issued and outstanding Common Shares of the Company that are subject to the Escrow Agreement as of the date of this Prospectus:

Designation of Class	Number of Shares Held in Escrow	Percentage of Class before giving effect to the Offering	Percentage of Class after giving effect to the Offering(1)
Common Shares	4,275,001	65.90%	37.76%

Note:
1. Assumes 11,322,501 Common shares outstanding on completion of the Offering, excluding Over-Allotment Option.

PRINCIPAL SECURITYHOLDERS

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

Name	Number of Common Shares Beneficially Owned Directly or Indirectly	Percentage of Common Shares Held	Percentage of Common shares Held After Giving Effect to the Offering[1]
Robert Coltura[2]	1,425,001	21.97%	12.59%[4]
Jerry Minni	1,425,000	21.97%	12.59%[4]
Salman Jamal[3]	1,425,000	21.97%	12.59%[4]

Notes:
1. Assumes 11,322,501 Common Shares are outstanding on completion of the Offering.
2. 425,000 common shares are held by Matalia Investment Ltd., a company controlled by Robert Coltura.
3. 425,000 common shares are held by Syndicated Capital Corp., a company controlled by Salman Jamal.
4. On a fully diluted basis, assuming exercise of all outstanding options, Agent's Warrants and Corporate Finance Shares, there would be 12,572,501 Common Shares outstanding of which Robert Coltura would own 1,625,001 shares (12.93%), Jerry Minni would own 1,625,000 shares (12.93%), and Salman Jamal would own 1,625,000 shares (12.93%).

DIRECTORS AND EXECUTIVE OFFICERS

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

Name and Municipality of Residence and Position with the Company	Director/ Officer Since	Principal Occupation for the Past Five Years	Common Shares Beneficially Owned Directly or Indirectly [(1)] (at the date of this Prospectus)
Robert Coltura[(4)] Langley, BC *President, CEO & Director*	July 20, 2012	President of Matalia Invesmtents Ltd., October 1993 to present; Director of Turquoise Capital Corp., March, 2013 to May, 2014; President and CEO of Golden Peak Minerals Inc., since April, 2011 to present and Director from March, 2011 to present; Director of Portola Resources Inc. since June, 2011 to present; Director of Graphene 3D Labs Inc. (formerly, MatNic Resources Inc.) since June 2011 to present; Director of Pacific Potash Corp. since June, 2013 to October, 2013; President and CEO of Trigold Resources Inc. from November, 2010 to February 2013 and director from November 2010 to September, 2013; CFO of 88 Capital Corp. from April, 2012 to December 2012 and director from March, 2011 to December, 2012; President and CEO of GoldStar Minerals Inc. from May, 2010 to June, 2012; President and CEO of Highpointe Exploration Inc. from November, 2009 to December, 2012; President and CEO of Mega Copper Ltd. from April, 2009 to February, 2012; Director of Iron South Mining Corp. from August, 2002 to September, 2013.	1,425,001[(2)]

Name and Municipality of Residence and Position with the Company	Director/ Officer Since	Principal Occupation for the Past Five Years	Common Shares Beneficially Owned Directly or Indirectly (1) (at the date of this Prospectus)
Jerry Minni Vancouver, BC *CFO & Director*	July 20, 2012	Chief Executive Officer of Mcorp Investment Group from 1992 to present; a Certified General Accountant since 1988; Director of Trinity Valley Energy Corp. from April 2014 to present; CFO and Director of Golden Peak Minerals Inc. from April 2011 to present; CFO and Director of Universal Ventures Inc. from March 2011 to present; CFO of Plate Resources Inc. from March 2011 to present; CFO and Director of Walker River Resources Inc. from December 2010 to present; Director of Portola Resources Inc. from April 2010 to present; CFO and Director of Graphene 3D Labs Inc. from January 2011 to August 2014; CFO and Director of Noka Resources Inc. from December 2010 to June 2014; CFO and Director of Trigold Resources Inc. from November 2010 to July 2013; CFO and Director of Bravura Ventures Corp. from January 2011 to March 2013; Director of Dragonfly Capital Corp. from March 2010 to January 2013; Director of Pure Energy Corp. from September 2010 to January 2013; CFO and Director of Revolver Resources Inc. from December 2010 to September 2012; CFO and Director of Pacific Arc Resources Inc. from January 2010 to July 2012; CEO and Director of Rio Grande Mining Corp. from May 2007 to June 2012; CFO and Director of Highpointe Exploration Inc. from February 2010 to March 2012; CFO and Director of Fairmont Resources Inc. from May 2007 to September 2011; CFO and Director of Tintina Gold Corp. (formerly, Mantra Mining Corp.) from July 1998 to June 2010; CFO and Director of Asiabasemetals Inc. from August 2009 to May 2010; Director of Pan America Lithium Corp. (formerly, Etna Resources Inc.) from May 2008 to April 2010; Director of Harmony Gold Corp. (formerly, Avantec Technologies Inc.) from June 1999 to March 2010; CFO & Director of Bonterra Resources Inc. from May 2007 to March 2010; Director of Panthera Explorations Inc. (formerly, Amera Resources Corp.) from November 2002 to February 2010	1,425,000(2)

Name and Municipality of Residence and Position with the Company	Director/ Officer Since	Principal Occupation for the Past Five Years	Common Shares Beneficially Owned Directly or Indirectly (1) (at the date of this Prospectus)
Stephen Butrenchuk(4) Lethbridge, AB *Director*	July 20, 2012	Self-employed Consulting Geologist from 1994 to July 2014; Director of Oxford Resources Inc. from March 2010 to present; Director of Goldstar Minerals Inc. and Anfield Resources Inc. from June 2010 to present; Director of Inexco Mining Corp. from June 2014 to present; President, CEO and Director of Gold Ridge Exploration Corp. from May 2011 to July 2013.	Nil
Salman Jamal(4) Vancouver, BC *Director*	July 20, 2012	Director of Emerita Resources Corp. from March 2010 to January 2013 and Atocha Resources Inc. from July 2009 to April 2010; Investor Relations Consultant of Emerita Resources Corp. from February 2013 to present, Donner Metals Ltd. from September 2011 to August 2013, Donnycreek Energy Inc. from February 2012 to August 2014.	1,425,000(3)

Notes:
1. Does not include options to purchase Common Shares held by directors and officers. See "Options to Purchase Securities".
2. 425,000 common shares are held by Matalia Investment Ltd., a company controlled by Robert Coltura.
3. 425,000 common shares are held by Syndicated Capital Corp., a company controlled by Salman Jamal.
4. Denotes a member of the Audit Committee of the Company.

The term of office of the directors expires annually at the time of the Company's annual general meeting. The term of office of the officers expires at the discretion of the Company's directors. None of the Company's directors or officers have entered into non-competition or non-disclosure agreements with the Company.

As at the date of this Prospectus, the directors and officers of the Company as a group owned beneficially, directly or indirectly or exercised control or discretion over an aggregate of 4,275,001 Common Shares of the Company, which is equal to 65.90% of the Common Shares currently issued and outstanding.

Robert Coltura (Age: 49) – President, Chief Executive Officer, Promoter and Director

Mr. Coltura is the President and Chief Executive Officer since July 20, 2012 and a director of the Company since July 20, 2012. He is a consultant to the Company and provides his services on a part time basis.

Mr. Coltura is a businessman and is President and principal shareholder of Matalia Investments Ltd., a company that provides management consulting and corporate finance services to public and private companies. He has several years' experience with reporting issuers.

Mr. Coltura has not entered into a non-competition or non-disclosure agreement with the Company.

Mr. Coltura will devote approximately 20% of his time to the affairs of the Company.

Jerry A. Minni (Age: 55) – Chief Financial Officer and Director

Mr. Minni is the Chief Financial Officer since July 30, 2012 and a director of the Company since July 30, 2012 and provides his services to the Company on a part-time basis.

Mr. Minni, a Certified General Accountant, has 29 years expertise in the administration, management and finance of public and private companies. He is currently a director and the Chief Financial Officer of several reporting issuers.

Mr. Minni has not entered into a non-competition or non-disclosure agreement with the Company.

Mr. Minni will devote approximately 15% of his time to the affairs of the Company.

Stephen Butrenchuk (Age: 69) - Director

Mr. Butrenchuk is a director of the Company since July 20, 2012. He has been a self-employed consulting geologist since 1994 and is currently a director of four (4) reporting issuers.

Mr. Butrenchuk has not entered into a non-competition or non-disclosure agreement with the Company.

Mr. Butrenchuk will devote approximately 10% of his time to the affairs of the Company.

Salman Jamal (Age: 41) - Director

Mr. Jamal is a director of the Company since July 20, 2012. Mr. Jamal is currently the investor relations consultant of Emerita Resources Corp. Mr. Jamal has also served as an investor relations consultant for the past 5 years of several reporting issuers namely, Donner Metals Ltd. and Donnycreek Energy Inc.

Mr. Jamal has not entered into a non-competition or non-disclosure agreement with the Company.

Mr. Jamal will devote approximately 10% of his time to the affairs of the Company.

The board of directors of the Company has constituted an audit committee. The audit committee is comprised of Messrs. Coltura, Butrenchuk and Jamal. Each of the directors or officers of the Company are independent contractors and none have entered into non-competition or non-disclosure agreements with the Company.

CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES

Except as set out below, no director or officer or any shareholder holding a sufficient number of Common Shares of the Company to affect materially the control of the Company is, or within the ten years prior to the date of this Prospectus has been, a director or officer of any other issuer that:

1. while that person was acting in that capacity, was the subject of a cease trade or similar order, or an order that denied the other issuer access to any statutory exemptions, for a period of more than 30 consecutive days;

2. was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

3. while that person was acting in that capacity, 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.

PENALTIES OR SANCTIONS

No director or officer of the Company, nor any shareholder holding sufficient securities of the Company to materially affect control of the Company has:

1. been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

2. been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

PERSONAL BANKRUPTCIES

No director or officer of the Company, nor any shareholder holding sufficient securities of the Company to affect materially the control of the Company, nor any personal holding company of any such person has, within the ten years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

CONFLICTS OF INTEREST

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

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

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

In the period from incorporation on July 20, 2012 to June 30, 2014, the Company had two (2) named executive officers, Robert Coltura, the Chief Executive Officer and President, and Jerry Minni, the Chief Financial Officer of the Company ("**NEOs**"). In the event the Company is in a position to pay a base salary to any officer, such a base salary would be determined by the board of directors and may be based on performance contributions for the year and sustained performance contributions over a number of years. Officers are also eligible to receive discretionary bonuses as determined by the board of directors based on each officer's responsibilities, his achievement of corporate objectives and the Company's financial performance.

The Company expects that the compensation of the NEOs in the next year will be $51,000.

The following table sets out certain information respecting the compensation paid to the NEOs for the year ended June 30, 2014.

Summary Compensation Table

Name and principal position (a)	**Year (b)**	**Salary $ (c)**	**Share-based awards $[1] (d)**	**Option-based awards $ (e)**	**Non-equity incentive plan compensation $ (f)**		**Pension value $ (g)**	**All other compensation $ (h)**	**Total Compensation $ (i)**
					Annual Incentive Plans (f1)	**Long-term incentive plans (f2)**			
Robert Coltura *CEO & President*	2014	Nil	Nil	Nil	N/A	N/A	N/A	$30,000[2]	$30,000
	2013	Nil	$79,000	Nil	N/A	N/A	N/A	$30,000[2]	$109,000
Jerry Minni *CFO*	2014	Nil	Nil	Nil	N/A	N/A	N/A	$34,800[3]	$34,800
	2013	Nil	$79,000	Nil	N/A	N/A	N/A	$31,650[3]	$110,650

Notes:

1. Mr. Coltura and Mr. Minni subscribed for an aggregate of 2,000,000 common shares at a price of $0.001 for proceeds of $2,000. The fair value of these common shares is estimated to be $160,000. Accordingly, a share based compensation expense of $158,000 was recorded with a corresponding increase to contributed surplus of the Company. The 2,000,000 shares are subject to the Escrow Agreement. See "Escrowed Securities".
2. These funds were paid to Matalia Investments Ltd., a private company controlled by Mr. Coltura.
3. These funds were paid to J.A. Minni & Associates Inc., a private company controlled by Mr. Minni.

INCENTIVE PLAN AWARDS

Common Share Purchase Plan

The Company has in effect the Stock Option Plan in order to provide effective incentives to directors, officers, senior management personnel and employees of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company's Shareholders. The Company has no equity incentive plans other than the Stock Option Plan.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth particulars of all outstanding share-based and option-based awards granted to the Named Executive Officers and which were outstanding at June 30, 2014:

	Option-based Awards				Share-based Awards	
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money-options ($)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**
Robert Coltura *CEO & President*	Nil	N/A	N/A	N/A	N/A	N/A
Jerry Minni *CFO*	Nil	N/A	N/A	N/A	N/A	N/A

Incentive Plan Awards – Value Vested Or Earned During The Year

The following table sets forth particulars of the value vested or earned during the year ended June 30, 2014, in respect of incentive awards to the Named Executive Officers:

Name	**Option-based awards– Value vested during the year ($)**	**Share-based awards– Value vested during the year ($)**	**Non-equity incentive plan compensation–Value earned during the year ($)**
Robert Coltura *CEO & President*	Nil	Nil	Nil
Jerry Minni *CFO*	Nil	Nil	Nil

TERMINATION AND CHANGE OF CONTROL BENEFITS

During the period from incorporation to June 30, 2014, the Company did not have any contracts, agreements, plans or arrangements in place with any NEO that provides for payment following or in connection with any termination (whether voluntary, involuntary or constructive, resignation, retirement, a change of control of the Company or a change in an NEO's responsibilities).

DIRECTOR COMPENSATION

Narrative Discussion

The only arrangements the Corporation has pursuant to which directors are compensated by the Corporation for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, are by the issuance of incentive stock options pursuant to the Corporation's Stock Option Plan.

The purpose of granting such options is to assist the Corporation in compensating, attracting, retaining, and motivating the directors of the Corporation and to closely align the personal interests of such persons to that of the shareholders.

Director Compensation Table

The following table sets out certain information respecting the compensation paid to the Directors for the year ended June 30, 2014.

Name and principal position (a)	**Year (b)**	**Salary $ (c)**	**Share-based awards $ (d)**	**Option-based awards $ (e)**	**Non-equity incentive plan compensation $ (f)**		**Pension value $ (g)**	**All other compensation $ (h)**	**Total Compensation $ (i)**
					Annual Incentive Plans (f1)	**Long-term incentive plans (f2)**			
Salman Jamal	2014	Nil	N/A	Nil	N/A	N/A	N/A	$30,000(1)	$30,000
	2013	Nil	$79,000 (2)	Nil	N/A	N/A	N/A	$30,000(1)	$109,000
Stephen Butrenchuk	2014	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil
	2013	Nil	N/A	Nil	N/A	N/A	N/A	$6,172	$6,172

Note:

1. These funds were paid to Syndicated Capital Corp., a private company controlled by Mr. Jamal.
2. Mr. Jamal subscribed for 1,000,000 common shares at a price of $0.001 for proceeds of $1,000. The fair value of these common shares is estimated to be $80,000. Accordingly, a share based compensation expense of $79,000 was recorded with a corresponding increase to contributed surplus of the Company. The 1,000,000 shares are subject to the Escrow Agreement. See "Escrowed Securities".

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth particulars of all outstanding share-based and option-based awards granted to the Directors and which were outstanding at June 30, 2014:

	Option-based Awards				**Share-based Awards**	
Name (a)	**Number of securities underlying unexercised options (#) (b)**	**Option exercise price ($) (c)**	**Option expiration date (d)**	**Value of unexercised in-the-money-options(1) ($) (e)**	**Number of shares or units of shares that have not vested (#) (f)**	**Market or payout value of share-based awards that have not vested ($) (g)**
Salman Jamal	Nil	N/A	N/A	N/A	N/A	N/A
Stephen Butrenchuk	Nil	N/A	N/A	N/A	N/A	N/A

Incentive Plan Awards – Value Vested Or Earned During The Year

The following table sets forth particulars of the value vested or earned during the year ended June 30, 2014, in respect of incentive awards to the Directors:

Name	Option-based awards–Value vested during the year ($)	Share-based awards–Value vested during the year ($)	Non-equity incentive plan compensation–Value earned during the year ($)
Steve Butrenchuk	Nil	Nil	Nil
Salman Jamal	Nil	Nil	Nil

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No existing or proposed director, executive officer or senior officer of the Company or any associate of any of them, was indebted to the Company as at the date of this Prospectus or is currently indebted to the Company.

AUDIT COMMITTEE

The charter of the Company's audit committee and the other information required to be disclosed by Form 52-110F2 is attached to this Prospectus as Schedule "A".

CORPORATE GOVERNANCE

The information required to be disclosed by National Instrument 58-101 *Disclosure of Corporate Governance Practices* is attached to this Prospectus as Schedule "B".

PLAN OF DISTRIBUTION

The Offering will be made in accordance with the Agency Agreement and the rules and policies of the Exchange and on a day determined by the Agent and the Company. If the Offering is not realized within 90 days of the issuance of a receipt for the final prospectus, and unless an amendment is filed and receipted, the Offering will cease and all subscription monies will be returned to Subscribers without interest or deduction, unless the Subscribers have otherwise instructed the Agent. The Offering consists of 4,500,000 Shares and is subject to a minimum subscription of 4,500,000 Shares. Pursuant to the Agency Agreement, the Company has appointed the Agent to act as its agent to conduct the Offering in the Selling Provinces, on a commercially reasonable efforts basis. The Agent may enter into selling arrangements with other investment dealers at no additional cost to the Company. The Agent will receive, on the Closing Date:

1. A commission of 10% of the gross proceeds of the Offering, payable in cash;
2. 450,000 Agent's Warrants to acquire Agent's Warrant Shares, exercisable at a price of $0.10 per Agent's Warrant Share for a period of 24 months from the Listing Date;
3. 250,000 Corporate Finance Shares at a price of $0.10 per Share at Closing;
4. An Over-Allotment Option to solicit 675,000 additional Shares to raise additional gross proceeds of up to $67,500 exercisable 48 hours prior to Closing; and

5. The Agent's expenses, of which a retainer of $10,000 has been paid toward such expenses.

The Agent has agreed to assist with the Offering on a commercially reasonable efforts basis, but is not obligated to purchase any of the Shares for its own account.

Subscriptions will be received for the Shares subject to rejection or acceptance by the Company in whole or in part, and the right is reserved to close the subscription books at any time. Upon rejection of a subscription, or in the event that the Offering does not complete within the term of the Agency Agreement or the time required by the rules of the Securities Commissions, the subscription price and the subscription will be returned to the Subscriber forthwith without interest or deduction. Certificates representing the Shares acquired hereunder will be delivered on the Closing Date unless the Agent elects for delivery in book entry form through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and will be deposited with CDS. If delivered in book entry form, purchasers of Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Shares were purchased.

There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering other than the payments to be made to the Agent in accordance with the terms of the Agency Agreement. See "Plan of Distribution – Agency Agreement" above.

Pursuant to the Agency Agreement the Company has granted to the Agent the right of first refusal to provide any brokered equity financing for a period of one year from the Closing Date.

The directors, officers and other insiders of the Company may purchase Shares under the Offering. The price of the Shares offered under this Prospectus was determined by negotiation between the Company and the Agent, and bears no relationship to earnings, book value or other valuation criteria.

LISTING OF COMMON SHARES

The Company has applied to list its outstanding shares, the Shares, and any Shares issued or issuable pursuant to the Agency Agreement as distributed under this Prospectus, on the Exchange. Listing will be subject to the Company fulfilling all the listing requirements of the Exchange.

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

RISK FACTORS

GENERAL

The Company is in the business of exploring mineral properties, which is a highly speculative endeavor. A purchase of any of the securities offered hereunder 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. An investment in the securities offered hereunder should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should evaluate carefully the following risk factors associated with an investment in the Company's securities prior to purchasing any of the securities offered hereunder.

NO ESTABLISHED MARKET

The Company has applied to list the securities distributed under this Prospectus on the Exchange. Listing will be subject to the Company fulfilling all the listing requirements of the Exchange. There is currently no market through which the Company's securities may be sold and purchasers may not be able to resell the Shares purchased under this Prospectus. Even if a market develops, there is no assurance that the price of the Shares offered under this Prospectus, which was determined through negotiations between the Company and the Agent, will reflect the market price of the Shares once a market has developed. If an active public market for the Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the initial public Offering Price.

LIMITED BUSINESS HISTORY

The Company has only recently commenced operations and has no history of operating earnings. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company has limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

HIGH RISK, SPECULATIVE NATURE OF INVESTMENT

An investment in the Shares carries a high degree of risk and should be considered speculative by purchasers. There is little probability of dividends being paid on the Shares.

LIQUIDITY CONCERNS AND FUTURE FINANCING REQUIREMENTS

After completion of the Offering, the Company may require additional financing in order to fund its ongoing exploration program on the Property. The ability of the Company to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as the business success of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of Shares from treasury, control of the Company may change and shareholders may suffer additional dilution. The further exploration and development of the Property, and any other mineral properties in which the Company may hold an interest will also require additional equity or debt financing. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration and development or forfeiture of some rights in the Company's mineral properties. Events in the equity market may impact the Company's ability to raise additional capital in the future.

If available, future equity financing may result in substantial dilution to purchasers under the Offering. At present, it is impossible to determine what amounts of additional funds, if any, may be required.

PROPERTY INTERESTS

The Company 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 Company 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 Company loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

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 the funds required for development can be obtained on a timely basis. The discovery of mineral deposits is dependent upon a number of factors. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which relate to particular attributes of the deposit, such as size, grade and proximity to infrastructure, and some of which are more general factors such as metal prices and government regulations, including environmental protection. Most of these factors are beyond the control of the Company. In addition, because of these risks, there is no certainty that the expenditures to be made by the Company on the exploration of its Property as described herein will result in the discovery of commercial quantities of ore.

The Company has no history of operating earnings and the likelihood of success must be considered in light of problems, expenses, etc. which may be encountered in establishing a business.

FINANCING RISKS

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company 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 Company is through the sale of its equity shares. Even if the results of exploration are encouraging, the Company 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 Red Top - Sunrise Property. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of its Red Top - Sunrise Property, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

NEGATIVE OPERATING CASH FLOW

The Company has negative operating cash flow. The failure of the Company to achieve profitability and positive operating cash flows could have a material adverse effect on the Company's financial condition and results of operations. To the extent that the Company has negative cash flow in future periods, the Company may need to deploy a portion of its cash reserves to fund such negative cash flow. The Company expects to continue to sustain operating losses in the future until it generates revenue from the commercial production of its properties. There is no guarantee that the Company will ever be profitable.

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 Company may be affected by numerous factors which are beyond the control of the Company 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 Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company'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.

INSUFFICIENT FUNDS TO COMPLETE RECOMMENDED WORK PROGRAM

Assuming completion of the Offering, the Company will not have available funds to complete the full amount of the recommended work program on the Red Top-Sunrise Property, as set forth in the Report. The Company only anticipates spending $85,800 on the Property in the twelve (12) months following the listing date. The Company will need to raise additional capital in order to complete the full amount of the recommended program.

ACQUISITION OF ADDITIONAL MINERAL PROPERTIES

If the Company loses or abandons its interest in the Red Top - Sunrise Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

COMMERCIAL ORE DEPOSITS

The Red Top - Sunrise Property is in the exploration stage only and is without a known body of commercial ore. Development of the Red Top - Sunrise Property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

UNINSURABLE RISKS

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company 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 Company.

PERMITS AND GOVERNMENT REGULATIONS

The future operations of the Company 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 Company 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 Company's Red Top - Sunrise Property. The Company currently does not have any permits in place.

ENVIRONMENTAL AND SAFETY REGULATIONS AND RISKS

Environmental laws and regulations may affect the operations of the Company. 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 Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, the Company generally relies on recognized designers and development contractors from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

The Property is located in an area known for its strong environmental activism and the Company may encounter strong opposition for any of its exploration and development plans which could result in significant delays to the Company's plans, or result in increased costs to the Company.

MINERAL TITLES

The Company has not yet obtained a title opinion in respect of the Red Top - Sunrise 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 Company 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.

FIRST NATIONS LAND CLAIMS

The Red Top - Sunrise Property may now or in the future be the subject of first nations land claims. The Property is located in an area known for strong first nations' concerns that could prove to be a problem for any extensive development on the Property. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company will at some point be required to negotiate with first nations in order to facilitate exploration and development work on the Property, and there is no assurance that the Company will be able to establish a practical working relationship with the first nations in the area which would allow it to ultimately develop the Property.

FLUCTUATING MINERAL PRICES AND CURRENCY RISK

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in a world market in US dollars.

COMPETITION

The mining industry is intensely competitive in all its phases. The Company 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 Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to acquire suitable properties or prospects for mineral exploration in the future.

MANAGEMENT

The success of the Company 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 Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

TAX ISSUES

Income tax consequences in relation to the Shares will vary according to the circumstances by each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisors prior to subscribing for shares.

DILUTION

The Offering Price of the Shares issuable under this Offering significantly exceeds the net tangible book value per Common Share, and accordingly, investors will suffer immediate and substantial dilution of their investment in the amount of 35% or $0.035 per Common Share.

PRICE VOLATILITY OF PUBLICLY TRADED SECURITIES

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of the Shares distributed hereunder will be affected by such volatility. There is no public market for the Company's Common Shares. An active public market for the Common Shares might not develop or be sustained after the Offering. The initial public Offering Price of the Shares has been determined by negotiations between the Company and representatives of the Agent and this price will not necessarily reflect the prevailing market price of the Shares following the Offering. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the initial public Offering Price.

CONFLICTS OF INTEREST

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the British Columbia Business Corporations Act. Some of the directors and officers of the Company are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to the Company and their duties to the other companies on whose boards they serve, the directors and officers of the Company have agreed to the following:

1. participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;
2. no commissions or other extraordinary consideration will be paid to such directors and officers; and
3. business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

STRESS IN THE GLOBAL ECONOMY

Reduction in credit, combined with reduced economic activity and the fluctuations in the United States dollar, may adversely affect businesses and industries that purchase commodities, affecting commodity prices in more significant and unpredictable ways than the normal risks associated with commodity prices. The availability of services such as drilling contractors and geological service companies and/or the terms on which these services are provided may be adversely affected by the economic impact on the service providers. The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Company's business, operating results, and financial condition.

CURRENT GLOBAL FINANCIAL CONDITION

Current global financial conditions have been subject to increased volatility. Access to financing has been negatively impacted by both sub-prime mortgages in the United States and elsewhere and the liquidity crisis affecting the asset-backed commercial paper market. As such, the Company is subject to counterparty risk and liquidity risk. The Company is exposed to various counterparty risks including, but not limited to: (i) through financial institutions that hold the Company's cash; (ii) through companies that have payables to the Company; and (iii) through the Company's insurance providers. The Company is also exposed to liquidity risks in meeting its operating expenditure requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability of the Company to obtain loans and other credit facilities in the future and, if obtained, on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the common shares could be adversely affected.

PROMOTERS

Robert Coltura is the promoter of the Company. He has ownership and control of 1,425,001 Common Shares (21.97%). See "Directors and Executive Officers" and "Executive Compensation".

LEGAL PROCEEDINGS AND REGULATORY MATTERS

The Company is not a party to any legal proceedings or regulatory actions and is not aware of any such proceedings known to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No person who is:

(a) A director or executive officer of the Company;

(b) A person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of the Company's outstanding voting securities;

(c) An associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b)

has any material interest, direct or indirect, in any material transaction since incorporation or in any proposed transaction that has materially affected or will materially affect the Company.

RELATIONSHIP BETWEEN THE COMPANY AND AGENT

The Company is not a "related issuer" or connected issuer to the Agent as such terms are utilized in National Instrument 33-105 of the Canadian Securities Administrators.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Manning Elliott LLP, Chartered Accountants of 11th Floor – 1050 West Pender Street, Vancouver, British Columbia, Canada, V6E 3S7. Manning Elliott LLP, Chartered Accountants, have advised the Company that they are independent of the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

The registrar and transfer agent of the Company is Equity Financial Trust Company located at 2700 – 650 West Georgia Street, Vancouver, BC V6B 4N9.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company since its incorporation, which are currently in effect and considered to be currently material:

1. Option Agreement referred to under "General Development of the Business".
2. Agency Agreement between the Company and Canaccord Genuity Corp. dated November 17, 2014 referred to under "Plan of Distribution".
3. Escrow Agreement referred to under "Escrowed Securities".
4. Registrar and Transfer Agent Agreement between the Company and Equity Financial Trust Company dated September 15, 2014.

A copy of any material contract and the technical report may be inspected during distribution of the Shares being offered under this Prospectus and for a period of 30 days thereafter during normal business hours at the Company's offices at Suite 200 – 551 Howe Street, Vancouver, British Columbia, Canada, V6C 2C2.

EXPERTS

Manning Elliott, LLP, Chartered Accountants, have audited the Company's Financial Statements.

Don MacIntyre, Ph.D., P. Eng, is the author of the Report on the Property.

No person or company whose profession or business gives authority to a report, valuation, statement or opinion and whom is named as having prepared or certified a report or valuation described or included in this Prospectus holds or is to hold any beneficial or registered interest, direct or indirect, in any securities or property of the Company or any associate of the Issuer.

RELATIONSHIP BETWEEN THE COMPANY'S PROFESSIONAL PERSONS AND EXPERTS

There is no beneficial interest, direct or indirect, in any securities in excess of one percent of the Company's issued capital or property of the Company or of an associate or affiliate of the Company, held by a professional person as referred to in section 106(1) of the Rules under the *Securities Act* (British Columbia), a responsible solicitor or any partner of a responsible solicitor's firm or by any person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Prospectus or prepared or certified a report or valuation described or included in this Prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of Legacy Tax + Trust Lawyers, special tax counsel to the Company, based on current provisions of the *Income Tax Act* (Canada) and the regulations thereunder, as amended (the "**Tax Act**"), provided that the Shares are listed on a designated stock exchange (which includes the Exchange) upon closing of the Offering, the Shares will be qualified investments under the Tax Act for trusts governed by registered retirement savings plans ("**RRSPs**"), registered retirement income funds ("**RRIFs**"), registered disability savings plans, deferred profit sharing plans, registered education savings plans and tax-free savings accounts ("**TFSAs**"), all as defined in the Tax Act (collectively, the "**Plans**").

Notwithstanding the foregoing, if the Shares are a "prohibited investment" (as defined in the Tax Act) for a trust governed by a TFSA, RRSP or RRIF (a "**Registered Plan**"), the holder of the TFSA or the annuitant of the RRSP or RRIF, as the case may be, (such holder or annuitant being a "Controlling Individual" of the Registered Plan) will be subject to a penalty tax on the Shares as set out in the Tax Act. A Share will generally not be a prohibited investment for a trust governed by a Registered Plan held by a particular holder provided that the Controlling Individual deals at arm's length with the Company for the purposes of the Tax Act, and does not have a "significant interest" (as defined in the Tax Act) in the Company. In general terms, a Controlling Individual of a Registered Plan will have a significant interest in the Company if the Registered Plan, the Controlling Individual, and other persons not at arm's length with the Controlling Individual together, directly or indirectly, own not less than 10% of the outstanding Shares of the Company.

Prospective purchasers who intend to hold Shares in their TFSA, RRSP or RRIF should consult their own tax advisors regarding their particular circumstances.

OTHER MATERIAL FACTS

There are no further facts or particulars in respect of the securities being distributed pursuant to this Prospectus that are not already disclosed herein that are necessary to be disclosed for this Prospectus to contain full, true and plain disclosure of all material facts relating to such securities.

PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

Securities legislation in the Provinces of British Columbia and Alberta provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

LIST OF EXEMPTIONS

The Company has not applied for or received any exemption from National Instrument 41-101, "General Prospectus Requirements", regarding this Prospectus or the distribution of its securities under this Prospectus.

FINANCIAL STATEMENTS

Attached to and forming part of this Prospectus are the audited financial statements of the Company for the year ended June 30, 2014, together with the Auditor's Report thereon and the audited financial statements for the period from incorporation to June 30, 2013. The Company's year-end is June 30.

MONTEGO RESOURCES INC.

FINANCIAL STATEMENTS

AS AT

JUNE 30, 2014 AND 2013

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7

Tel: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

INDEPENDENT AUDITORS' REPORT

To the Directors of
Montego Resources Inc.

We have audited the accompanying financial statements of Montego Resources Inc. which comprise the statements of financial position as at June 30, 2014 and 2013, and the statements of comprehensive loss, changes in equity and cash flows for the periods ended June 30, 2014 and 2013, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Montego Resources Inc. as at June 30, 2014 and 2013, and its financial performance and cash flows for the periods ended June 30, 2014 and 2013, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Montego Resources Inc. to continue as a going concern.

Manning Elliott LLP

CHARTERED ACCOUNTANTS
Vancouver, British Columbia
November 17, 2014

MONTEGO RESOURCES INC.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note	June 30, 2014	June 30, 2013
		$	$
ASSETS			
CURRENT			
Cash		10,870	15,429
Amounts receivables		9,815	5,785
		20,685	21,214
EXPLORATION AND EVALUATION ASSET	6	119,535	119,535
		140,220	140,749
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	8	81,651	97,609
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	7	252,270	138,260
SUBSCRIPTIONS RECEIVABLE		-	(1,500)
CONTRIBUTED SURPLUS	7	237,000	237,000
DEFICIT		(430,701)	(330,620)
		58,569	43,140
		140,220	140,749

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
SUBSEQUENT EVENTS (Note 12)

Approved and authorized for issue on behalf of the Board on November 17, 2014.

/s/ "Robert Coltura"	Director	/s/ "Jerry Minni"	Director
Robert Coltura		Jerry Minni	

The accompanying notes are an integral part of these financial statements

MONTEGO RESOURCES INC.
STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Note	Year ended June 30, 2014	Period from incorporation to June 30, 2013
		$	$
EXPENSES			
Management fees	8	81,000	81,000
Office		228	97
Professional fees	8	6,065	2,718
Rent	8	12,788	9,805
Share-based compensation	7	-	237,000
NET LOSS AND COMPREHENSIVE LOSS		(100,081)	(330,620)
LOSS PER SHARE – Basic and diluted		(0.02)	(0.08)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		4,751,885	4,152,819

The accompanying notes are an integral part of these financial statements

MONTEGO RESOURCES INC.
STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)
(Expressed in Canadian dollars)

	Common Shares					
	Number of Shares	Amount	Subscriptions Receivable	Contributed Surplus	Deficit	Total
		$	$	$	$	$
Date of Incorporation, July 20, 2012	-	-	-	-	-	-
Shares issued for cash and subscriptions receivable	3,000,001	3,000	(1,500)	-	-	1,500
Shares issued for cash	1,700,000	136,000	-	-	-	136,000
Share-based compensation	-	-	-	237,000	-	237,000
Share issuance costs	-	(740)	-	-	-	(740)
Net loss and comprehensive loss for the period	-	-	-	-	(330,620)	(330,620)
Balance, June 30, 2013	4,700,001	138,260	(1,500)	237,000	(330,620)	43,140
Share issued for cash	1,437,500	115,000	1,500	-	-	116,500
Share issuance costs	-	(990)	-	-	-	(990)
Net loss and comprehensive loss for the year	-	-	-	-	(100,081)	(100,081)
Balance, June 30, 2014	6,137,501	252,270	-	237,000	(430,701)	58,569

The accompanying notes are an integral part of these financial statements

MONTEGO RESOURCES INC.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Year ended June 30, 2014	Period from incorporation to June 30, 2013
	$	$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	(100,081)	(330,620)
Item not involving cash:		
Share-based compensation	-	237,000
	(100,081)	(93,620)
Changes in non-cash working capital balances:		
Amounts receivables	(4,030)	(5,785)
Accounts payable and accrued liabilities	21,773	59,878
Cash used in operating activities	(82,338)	(39,527)
INVESTING ACTIVITIES		
Exploration and evaluation asset	(37,731)	(81,804)
Cash used in investing activities	(37,731)	(81,804)
FINANCING ACTIVITIES		
Share subscriptions received	1,500	-
Share issuance costs	(990)	(740)
Shares issued for cash	115,000	137,500
Cash provided by financing activities	115,510	136,760
CHANGE IN CASH	(4,559)	15,429
CASH, BEGINNING OF PERIOD	15,429	-
CASH, END OF PERIOD	10,870	15,429
SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	-	-
Income taxes paid	-	-

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS

Montego Resources Inc. ("the Company") was incorporated on July 20, 2012 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 200-551 Howe Street, Vancouver, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at June 30, 2014, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the properties or realizing proceeds from their disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a deficit of $430,701 as at June 30, 2014, which has been funded by the issuance of equity. In addition, the Company has a working capital deficiency of $60,966 (2013: $76,395). The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give affect to any adjustments which would be necessary should the company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized for issue in accordance with a resolution from the Board of Directors on November 17, 2014.

b) Basis of presentation

The financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

c) Cash and cash equivalents

Cash in the statements of financial position is comprised of cash in banks and on hand, and short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

d) Share-based compensation

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

e) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Flow-through shares (continued)

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

f) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates ("the functional currency"), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of comprehensive loss.

g) Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

h) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

j) Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss (“FVTPL”).

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company’s cash is classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. As at June 30, 2014, the Company has not classified any financial assets as loans and receivables.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that are considered other than temporary which are recognized in earnings. At June 30, 2014, the Company has not classified any financial assets as available for sale.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

k) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized costs using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company’s accounts payable are classified as other financial liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Financial liabilities (continued)

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in earnings. At June 30, 2014, the Company has not classified any financial liabilities as FVTPL.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgments 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. These 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 future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

i. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable;

ii. the estimated value of the acquisition costs which are recorded in the statement of financial position;

iii. the measurement of deferred income tax assets and liabilities; and

iv. the inputs used in accounting for share-based payments in profit or loss.

Significant accounting judgments

i. the determination of categories of financial assets and financial liabilities; and

ii. the evaluation of the Company's ability to continue as a going concern.

4. ADOPTION OF NEW OR AMENDED ACCOUNTING STANDARDS

The mandatory adoption of the following new and revised accounting standards and interpretations on July 1, 2013 had no significant impact on the Company's financial statements for the years presented:

IFRS 10 – *Consolidated Financial Statements*
IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 replaces SIC-12 Consolidation - Special Purpose Entities and parts of the previous IAS 27 Consolidated and Separate Financial Statements.

IFRS 11 – *Joint Arrangements*
IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or a joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under IFRS 11, proportionate consolidation is no longer permitted.

IFRS 12 – *Disclosure of Interests in Other Entities*
IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 – *Fair Value Measurement*
IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It also establishes disclosures about fair value measurement.

IAS 1 – *Presentation of Financial Statements*
In June 2011, the IASB issued an amendment to IAS 1, which requires entities to separately present items in other comprehensive income based on whether or not they may be reclassified to profit or loss in future periods.

IAS 27 – *Separate Financial Statements*
As a result of the issue of IFRS 10, IFRS 11 and IFRS 12, IAS 27 Separate Financial Statements has been reissued, as the consolidation guidance will now be included in IFRS 10. IAS 27 has been reissued to only prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.

IAS 28 – *Investments in Associates and Joint Ventures*
As a consequence of the issuance of IFRS 10, IFRS 11 and IFRS 12, IAS 28 has been amended to provide accounting guidance for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The amended IAS 28 is applied by all entities that are investors with joint control of, or significant influence over, an investee.

IFRIC 20 – Production *Stripping Costs*
In October 2011, the IASB issued IFRIC 20, which requires the capitalization and depreciation of stripping costs in the production phase if an entity can demonstrate (i) that it is probable future economic benefits will flow to the entity, (ii) the component of the ore body for which the access has been improved is identifiable, (iii) the costs related to the stripping activity associated with that component can be reliably measured.

4. ADOPTION OF NEW OR AMENDED ACCOUNTING STANDARDS (continued)

Amendments to other standards
In addition, there have been other amendments to existing standards, including IFRS 7 *Financial Instruments: Disclosure*, IAS 27 *Separate Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 to IFRS 13.

5. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued, but not yet effective, up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

New accounting standards effective for annual periods on or after July 1, 2014:

IAS 32 - *Financial Instruments: Presentation*
In December 2011, the IASB issued an amendment to clarify the meaning of the offsetting criterion and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. Earlier application is permitted when applied with corresponding amendment to IFRS 7.

IAS 36 – *Impairment of Assets*
In May 2013, the IASB, as a consequential amendment to IFRS 13 *Fair Value Measurement*, modified some of the disclosure requirements in IAS 36 regarding measurement of the recoverable amount of impaired assets. The amendments resulted from the IASB's decision in December 2010 to require additional disclosures about the measurement of impaired assets (or a group of assets) with a recoverable amount based on fair value less costs of disposal.

IFRIC 21 – *Levies*
IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and those where the timing and amount of the levy is certain.

New accounting standards effective for annual periods on or after July 1, 2016:

IAS 16 – *Property, Plant and Equipment* and IAS 36 – *Intangible Assets*

In May 2014, the IASB issued amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. The amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendments also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

(Expressed in Canadian dollars)

5. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

New accounting standards effective for annual periods on or after July 1, 2018:

IFRS 9 - *Financial Instruments*

In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 Financial Instruments, that introduces new requirements for the classification and measurement of financial assets. The standard was revised in May 2010 to include requirements regarding classification and measurement of financial liabilities.

The extent of the impact of adoption of these standards and interpretations on the financial statements of the Company has not been determined.

6. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs	**Exploration Costs**	**Total**
	$	$	$
Balance, July 20, 2012	-	-	-
Acquisition costs	10,000	-	10,000
Other exploration costs	-	109,535	109,535
Balance, June 30, 2013 and 2014	10,000	109,535	119,535

Redtop Sunrise Group

Pursuant to an option agreement dated July 25, 2012, with Rich River Exploration Ltd. and Craig Alvin Lynes, collectively, the “Optionors”, the Company was granted an option to acquire a 100% undivided interest in the Redtop Sunrise Group property (the “Property”) comprised of 12 mineral claims located near the Clearwater region of British Columbia.

To earn the 100% interest, the Company agreed to issue 175,000 common shares of the Company to the optionors, make cash payments totaling $100,000, and incur a total of $1,000,000 in exploration expenditures as follows:

	Common Shares	**Cash**	**Exploration Expenditures**
	#	$	$
Upon execution of the agreement (paid)	-	10,000	-
On or before July 25, 2013 (incurred)	-	-	100,000
Upon listing of the Company’s common shares on the Canadian Securities Exchange (the “Listing”)	85,000	15,000	-
On or before the first anniversary of the Listing	90,000	-	-
On or before the second anniversary of the Listing	-	15,000	200,000
On or before the third anniversary of the Listing	-	25,000	300,000
On or before the fourth anniversary of the Listing	-	35,000	400,000
Total	175,000	100,000	1,000,000

6. EXPLORATION AND EVALUATION ASSET (continued)

The Optionor will retain a 3% Net Smelter Returns royalty on the Property. The first 2% of the royalty may be purchased by the Company at $500,000 for each 1%. The purchase of the remaining 1% is negotiable after commercial production commences.

7. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Escrow Shares:

As at June 30, 2014, there are no issued and outstanding common shares of the Company held in escrow.

c) Issued and Outstanding as at June 30, 2014: 6,137,501 common shares.

(i) During the year ended June 30, 2014, the Company issued 1,437,500 common shares at a price of $0.08 per share, raising gross proceeds of $115,000.

(ii) During the year ended June 30, 2013, the Company issued 3,000,000 common shares of the Company at a price of $0.001 per share, raising gross proceeds of $3,000. The fair value of the 3,000,000 common shares issued was estimated to be $240,000. Accordingly, the Company recorded share-based compensation expense of $237,000, and a corresponding increase to contributed surplus.

(iii) During the year ended June 30, 2013, the Company issued 1,700,000 common shares at a price of $0.08 per share, raising gross proceeds of $136,000, of which 850,000 common shares were issued on a flow-through basis. As of June 30, 2014, all exploration expenditures related to the flow-through shares had been incurred, and the Company had renounced expenditures of $68,000.

For the purposes of calculating the tax effect of any premium related to the issuance of flow-through shares, management reviewed the price per share in a recent non flow-through financing and compared it to the price used in this issuance and determined there was no premium.

(Expressed in Canadian dollars)

8. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The following amounts are due to related parties and have been included in accounts payable and accrued liabilities:

	June 30, 2014	**June 30, 2013**
	$	$
Accounts payable and accrued liabilities	77,588	58,071

The amounts are due to companies controlled by directors of the Company. The amounts are non-interest bearing, unsecured and are due upon demand.

The Company had the following related party transactions:

	Year ended June 30, 2014	**Period from incorporation to June 30, 2013**
	$	$
Geological fees	-	6,172
Rent	9,000	9,000
Professional fees	4,800	1,650
	13,800	16,822

Geological fees, rent, and professional fees are paid to directors and companies controlled by directors of the Company.

Key management personnel receive compensation in the form of short-term employee benefits. Key management personnel include the directors of the Company. The remuneration of key management is as follows:

	Year ended June 30, 2014	**Period from incorporation to June 30, 2013**
	$	$
Management fees	81,000	81,000
Share-based compensation	-	237,000
	81,000	318,000

Management services were provided by companies owned by two directors of the Company.

(Expressed in Canadian dollars)

9. INCOME TAXES

The Company has losses carried forward of $194,000 available to reduce income taxes in future years which expire between 2033 and 2034.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	Year ended June 30, 2014	**Period from incorporation to June 30, 2013**
Canadian statutory income tax rate	26%	25%
	$	$
Income tax recovery at statutory rate	26,000	83,000
Effect of income taxes of:		
Permanent differences and others	-	(59,000)
Renunciation of flow-through shares	-	(17,000)
Change in deferred tax assets not recognized	(26,000)	(7,000)
Deferred income tax recoverable	-	-

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	June 30, 2014	**June 30, 2013**
	$	$
Non-capital loss carry forwards	50,000	24,000
Mineral properties	(17,000)	(17,000)
Deferred tax assets not recognized	(33,000)	(7,000)
	-	-

10. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. 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 or dispose of assets or adjust the amount of cash.

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at June 30, 2014 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	10,870	-	-	10,870

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at June 30, 2014 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash, prepaid expenses, and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

12. SUBSEQUENT EVENTS

i. On July 24, 2014, the Company issued 350,000 common shares of the Company at a price of $0.08 per share, raising gross proceeds of $28,000.

ii. On September 15, 2014, the Company adopted a stock option plan for granting stock options to directors, employees and consultants, under which the total outstanding options are limited to 10% of the outstanding common shares of the Company at any one time. The Company also granted 800,000 fully-vested stock options to certain officers and directors of the Company to purchase up to a total of 800,000 common shares in the capital of the Company at a price of $0.10 per common share. The options expire ten years from the date the Company's common shares commence trading on the Canadian Securities Exchange (the "Listing Date").

iii. On November 17, 2014, the Company entered into an escrow agreement with Equity Financial Trust Company pursuant to which 4,275,000 common shares of the Company will be held in escrow pursuant to the requirements of National Instrument 46-201 – *Escrow for Initial Public Offerings* to be released as to 10% thereof on the Listing Date and as to 15% on each of the 6, 12, 18, 24, 30 and 36 month anniversary dates thereafter.

iv. On November 17, 2014, the Company filed a prospectus (the "Prospectus") with the British Columbia and Alberta Securities Commissions in respect of an Initial Public Offering (the "Offering"). The Company has agreed to offer 4,500,000 common shares of the Company at a price of $0.10 per share for gross proceeds of $450,000. In connection with the financing the Company entered in an Agency Agreement with Canaccord Genuity (the "Agent"). The Company has also granted the Agent an over-allotment option for up to 15% of the common shares being offered under the Offering on the same terms as the Offering. The Company will pay the agent a cash commission of 10% of the gross proceeds of the Offering and will pay corporate finance fee consisting of $45,000 cash and 250,000 common shares along with all reasonable out-of-pocket costs. In addition, the Company has also agreed to grant non-transferable agent's warrants to the Agent entitling the Agent to purchase 10% of the number of common shares sold under the Offering at a price of $0.10 for a period of two years from the date of closing the offering.

CERTIFICATE OF MONTEGO RESOURCES INC.

Dated: November 17, 2014

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia and Alberta.

"Robert Coltura"	*"Jerry Minni"*
Robert Coltura, Chief Financial Officer & President	Jerry Minni, Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Stephen Butrenchuk"	*"Salman Jamal"*
Stephen Butrenchuk, Director	Salman Jamal, Director

CERTIFICATE OF PROMOTER

Dated: November 17, 2014

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia and Alberta.

PROMOTER

"Robert Coltura"

Robert Coltura

CERTIFICATE OF THE AGENT

Dated: November 17, 2014

To the best of our knowledge, information and belief, this Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia and Alberta.

CANACCORD GENUITY CORP.

"David Rentz"

David Rentz
Managing Director, Investment Banking

ITEM 1: THE AUDIT COMMITTEE'S CHARTER

PURPOSE

The overall purpose of the Audit Committee (the "**Committee**") of Montego Resources Inc. (the "**Company**") is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the financial statements and related financial disclosure of the Company, and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors.

COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board of Directors (the "**Board**").

2. At least two (2) members of the Committee shall be independent and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, 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 Company's financial statements.

3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

4. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.

5. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

6. The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

7. Meetings of the Committee shall be conducted as follows:

(a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;

(b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and

(c) management representatives may be invited to attend all meetings except private sessions with the external auditors.

8. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

ROLES AND RESPONSIBILITIES

9. The overall duties and responsibilities of the Committee shall be as follows:

(a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly financial statements and related financial disclosure;

(b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;

(c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and

(d) to report regularly to the Board on the fulfillment of its duties and responsibilities.

10. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:

(a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;

(b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;

(c) review the audit plan of the external auditors prior to the commencement of the audit;

(d) to review with the external auditors, upon completion of their audit:

(i) be non-audit services provided by the external auditors;

(ii) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and

(iii) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

11. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:

(a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;

(b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;

(c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and

(d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

12. The Committee is also charged with the responsibility to:

(a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;

(b) review and approve the financial sections of:

(i) the annual report to Shareholders;

(ii) the annual information form, if required;

(iii) annual and interim MD&A;

(iv) prospectuses;

(v) news releases discussing financial results of the Company; and

(vi) other public reports of a financial nature requiring approval by the Board,

(vii) and report to the Board with respect thereto;

(c) review regulatory filings and decisions as they relate to the Company's financial statements;

(d) review the appropriateness of the policies and procedures used in the preparation of the Company's financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;

(e) review and report on the integrity of the Company's financial statements;

(f) review the minutes of any audit committee meeting of subsidiary companies;

(g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the financial statements;

(h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

(i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

13. The Committee shall have the authority:

(a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,

(b) to set and pay the compensation for any advisors employed by the Committee; and

(c) to communicate directly with the internal and external auditors.

ITEM 2: COMPOSITION OF THE AUDIT COMMITTEE

The current members of the Committee are Robert Coltura, Stephen Butrenchuk and Salman Jamal. All of the members are financially literate. Stephen Butrenchuk and Salman Jamal are independent. "Independent" and "financially literate" have the meaning used in Multilateral Instrument 52-110 (the "Instrument") of the Canadian Securities Administrators.

ITEM 3: RELEVANT EDUCATION AND EXPERIENCE

The relevant education and/or experience of each member of the Committee is as follows:

<u>Robert Coltura</u>

Mr. Coltura is a businessman and is President and principal shareholder of Matalia Investments Ltd., a company that provides management consulting and corporate finance services to public and private companies. Mr. Coltura has several years' experience with reporting issuers.

<u>Stephen Butrenchuk</u>

Mr. Butrenchuk has been a self-employed consulting geologist since 1994 and is a director of four (4) reporting issuers.

<u>Salman Jamal</u>

Mr. Jamal is the President of Syndicated Capital Corp., a private company that has been providing investor relations services to junior mining companies since 2002.

ITEM 4: AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor (currently, Manning Elliott LLP, Chartered Accountants) not adopted by the Board.

ITEM 5: RELIANCE ON CERTAIN EXEMPTIONS

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in sections 2.4 or 8 of the Instrument. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

ITEM 6: PRE-APPROVAL POLICIES AND PROCEDURES

Formal policies and procedures for the engagement of non-audit services have yet to formulated and adopted. Subject to the requirements of the Instrument, the engagement of non-audit services is considered by the Board, and where applicable by the Audit Committee, on a case by case basis.

ITEM 7: EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

The aggregate fees charged to the Company by the external auditor the last fiscal year is as follows:

	FYE 2014/2013
Audit Costs Including T2 Corporate Tax Returns for the year ended	$12,000
All other fees (non-tax) :	Nil
Total Fees:	$12,000

ITEM 8: EXEMPTION

In respect of the most recently completed financial year, the Company is relying on the exemption set out in section 6.1 of the Instrument with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of the Instrument.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* the Company is required to and hereby discloses its corporate governance practices as follows.

ITEM 1. BOARD OF DIRECTORS

The board of directors (the "**Board**") of the Company facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board. The Board reviews its procedures on an ongoing basis to ensure it is functioning independently of management. As circumstances require, the Board meets without management present, and convenes meetings, as deemed necessary, of the independent directors, at which meetings non-independent directors and members of management are not in attendance. When conflicts arise, interested parties are precluded from voting on matters in which they may have an interest.

Robert Coltura is the President and Chief Executive Officer of the Company and is therefore not independent.

Jerry Minni is the Chief Financial Officer of the Company and is therefore not independent.

Stephen Butrenchuk, a director of the Company, is "independent" in that he is independent and 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 the best interests of the Company, other than the interests and relationships arising from shareholdings.

Salman Jamal, a director of the Company, is "independent" in that he is independent and 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 the best interests of the Company, other than the interests and relationships arising from shareholdings.

ITEM 2. DIRECTORSHIPS

The directors of the Company are currently directors of the following other reporting issuers:

Name of Director	Name of Reporting Issuer
Robert Coltura	Golden Peak Minerals Inc. GMV Minerals Inc. Graphene 3D Labs Inc. (formerly, MatNic Resources Inc.) Portofino Resources Inc. Portola Resources Inc.
Jerry Minni	Golden Peak Minerals Inc. Portola Resources Inc. Trinity Valley Energy Corp. Universal Ventures Inc. Walker River Resources Inc.

Name of Director	Name of Reporting Issuer
Stephen Butrenchuk	Oxford Resources Inc. Anfield Resources Inc. Goldstar Minerals Inc. Inexco Mining Corp.
Salman Jamal	None

ITEM 3. ORIENTATION AND CONTINUING EDUCATION

The Board briefs all new directors with the policies of the Board, and other relevant corporate and business information.

ITEM 4. ETHICAL BUSINESS CONDUCT

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

ITEM 5. NOMINATION OF DIRECTORS

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting the shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

ITEM 6. COMPENSATION

The Board conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies.

ITEM 7. OTHER BOARD COMMITTEES

The Board has no other committees other than the audit committee.

ITEM 8. ASSESSMENTS

On an ongoing basis, the Boards monitors the adequacy of information given to directors, communication between the board and management and the strategic direction and processes of the board and committees. On an ongoing annual basis, the Board assesses the performance of the Board as a whole, each of the individual directors and each committee of the Board in order to satisfy itself that each is functioning effectively.