No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This non-offering prospectus does not constitute a public offering of securities.

Non-Offering Prospectus

NON-OFFERING PROSPECTUS

September 4, 2018

ZENITH EXPLORATION INC.
Suite 1080-789 West Pender Street
Vancouver, British Columbia, Canada
V6C 1H2

No securities are being offered pursuant to this Prospectus

This non-offering prospectus (the "**Prospectus**") is being filed with the British Columbia Securities Commission for the purpose of allowing Zenith Exploration Inc. ("**Zenith**" or the "**Issuer**") for the purposes of complying with Policy 2 – *Qualifications for Listing of the Canadian Securities Exchange* in order for the Issuer to meet the eligibility requirements for the listing of its common shares on the Canadian Securities Exchange ("**CSE**" or the "**Exchange**").

Since no securities are being sold pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Issuer from its general funds.

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

As at the date of this Prospectus, the Issuer 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.

The Company has applied to list its Common Shares on the Exchange. The Exchange has provided conditional listing approval as at the date of this Prospectus. Listing is subject to the Issuer fulfilling all of the listing requirements of the CSE, including meeting all minimum listing requirements.

An investment in securities of the Issuer is speculative and involves a high degree of risk. See '*Risk Factors*'.

No underwriters or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.

TABLE OF CONTENTS

PROSPECTUS SUMMARY

The following is a summary of the Issuer and the principal features of the Transaction and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus*. Capitalized terms are defined in the Glossary of Terms section of this* Prospectus*.*

The Issuer	The Issuer was incorporated on June 19, 2015 pursuant to the BCBCA as 1040442 BC Ltd. - as a subsidiary of Kidani Capital Partners Inc., a reporting issuer in the Provinces of British Columbia, and Alberta. 1040442 B.C. Ltd. changed its name to Genix Pharmaceuticals Corp. on October 29, 2015. On May 10, 2016, the Company changed its name back to 1040442 B.C. Ltd., and on September 29, 2017 changed its name to “Zenith Exploration Inc.”. The Issuer completed the Plan of Arrangement with Kidani on October 29, 2015 and became a reporting issuer in British Columbia and Alberta at that time. The Issuer’s head office and registered office is located at Suite 1080-789 West Pender Street, Vancouver BC V6C 1H2. The Issuer's Common Shares do not currently trade on any stock exchange. See “*Corporate Structure*”. Zenith will become a reporting issuer in Ontario upon the listing of its Common Shares on the CSE. The Issuer's common shares do not currently trade on any stock exchange.
Business of the Issuer	The principal activity of the Issuer is mineral exploration in British Columbia and Quebec. The Issuer holds interests in a property consisting of twelve mineral claims covering 691.07 hectares known as the “Lac Matchi Property”, is located within the Abitibi Greenstone Belt (Northwestern Québec, Canada), in the Township of Pershing - approximately 55km east of Val-d’Or. The Lac Matchi Property is prospective for gold mineralization. The Issuer also holds interests in eight mineral claims covering 1,384.12 hectares known as the “Scotch Creek Property”, within the Kamloops Mining Division of British Columbia. The Scotch Creek Property is located 66 kilometres to the northeast of Kamloops, British Columbia, and to the west of Shuswap Lake. The Scotch Creek Property is prospective for gold mineralization. See “*Description of the Business*”.
Objectives and Milestones	The primary objective business objectives for the Issuer over the next 12 months are: (a) to list on the Canadian Securities Exchange; (b) to complete the Phase 1 recommended work program on the Lac Matchi Property;

(c) to complete additional equity financings should they be necessary to advance the Issuer' objectives;

See *"Principal Purposes".*

Listing

The Issuer has applied to have its Common Shares listed on the CSE and received conditional approval. Listing is subject to the Issuer obtaining a receipt for this Prospectus and fulfilling all the requirements of the CSE.

Use of Available Funds

As at July 31, 2018, the most recent month-end before the date of this Prospectus, the Issuer had an approximate consolidated working capital of $432,484.

The Issuer expects to allocate the funds available to it in the following manner:

Complete Phase 1 work program on Lac Matchi Property(1)	$123,165
Estimated general and administrative expenses for 12 months	$94,500
Prospectus costs and Exchange listing fees and expenses	$30,000
Repayment of outstanding loans	$10,841
Option payment due at 6 months under the Lac Matchi Agreement	$10,000
Unallocated Working Capital to fund ongoing operations	$163,978
TOTAL	$432,484

Notes:

(1) See "Property Description and Location – Exploration and Development"

(2) Please see the table below for a description of the estimated administrative costs of the Company for the next 12-month period.

See 'Use of Available Funds'.

The Issuer will require funding from other sources to continue operations beyond the next year. Such additional funds would likely be raised through a private placement of securities. There is no assurance that such funding will be available.

The Offering

No securities are being offered pursuant to this Prospectus. This Prospectus is being filed with the BCSC for the purpose of allowing the Issuer to apply for listing on the CSE and to enable the Issuer to develop an organized market for its Common Shares. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Issuer.

Risk Factors	The activities of the Issuer are subject to the risks normally encountered in a growing business, including: negative operating cash flow; lack of adequate capital; liquidity concerns and future financing requirements to sustain operations; competition; government regulation; and uncertainty regarding penetration of the target market. See "*Risk Factors*" for more information.

Summary of Financial Information

The following selected financial information has been derived from the audited financial statements of the Issuer included in this Prospectus and should be read in conjunction with such financial statements and the related notes thereto, along with the Management Discussion and Analysis included in this Prospectus. All financial statements of the Issuer and are prepared in accordance with International Financial Reporting Standards.

	Nine months ended April 3, 2018(unaudited)	**Nine months ended April 3, 2017(unaudited)**	**Financial year ended July 31, 2017 (audited)**	**Financial year ended July 31, 2016 (audited)**
Revenue ($)	-	-	-	-
Administration expenses ($)	47,284	810	5,970	10,682
Exploration and evaluation expenditures ($)	332,571	-	-	-
Loss after income tax ($)	46,560	810	5,970	10,682
Basic and diluted loss per common share ($)	(0.00)	(0.00)	(0.02)	(0.04)
Total assets ($)	789,571	130	130	-
Total liabilities ($)	31,206	8,850	8,850	2,750
Working Capital ($)	425,794	(8,720)	(8,720)	(2,750)

See "*Select Financial Information*"

Issuer and the Resulting Issuer. Additional factors are noted in this Prospectus under "*Risk Factors*".

FORWARD-LOOKING INFORMATION

Certain statements contained in this Prospectus constitute forward-looking information under applicable Canadian securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “objectives”, “strategies”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Issuer believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in its Prospectus should not be unduly relied upon.

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

- the Issuer’s expectations, strategies and plans for the Scotch Creek Property and Lac Matchi Property, including its planned exploration activities;
- the results of future exploration and drilling and estimated completion dates for certain milestones;
- successfully locating mineral resources and successfully developing new deposits;
- the timing, receipt and maintenance of approvals, licenses and permits from the government and from any other applicable government, regulator or administrative body;
- future financial or operating performance and condition of the Issuer and its business, operations and properties;
- statements that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements;
- mineral exploration, development and operating risks;
- environmental, health and safety regulations of the resource industry;
- competitive conditions;
- operational risks;
- liquidity and financing risks;
- funding risks;
- exploration costs;
- uninsurable risks;
- environmental risks;
- conflicts of interest;
- government policy changes;
- ownership risks;
- permitting and licensing risks;
- artisanal miners;
- difficulty in enforcement of judgments;

- market conditions;
- stress in the global economy;
- current global financial condition;
- reliance on key personnel;
- dilution risk;
- exchange rate and currency risks;
- commodity prices; and
- the other risks and uncertainties described elsewhere in this Prospectus.

Although the forward-looking statements contained in this Prospectus are based upon assumptions which the Issuer believes to be reasonable, the Issuer cannot assure holders or prospective purchasers of Common Shares that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this Prospectus, the Issuer has made assumptions regarding: future commodity prices and royalty regimes; availability of skilled labor; timing and amount of capital expenditures; future currency exchange and interest rates; the impact of increasing competition; general conditions in economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; royalty rates; future tax rates; future operating costs; availability of future sources of funding; ability to obtain financing and assumptions underlying estimates related to adjusted funds from operations. The Issuer has included the above summary of assumptions and risks related to forward-looking information provided in this Prospectus in order to provide holders and prospective purchasers with a more complete perspective on the Issuer's future operations and such information may not be appropriate for other purposes. The Issuer's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Issuer will derive therefrom. These forward-looking statements are made as of the date of this Prospectus and the Issuer disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

PRESENTATION OF FINANCIAL INFORMATION

The Issuer's financial statements and other financial information included in this Prospectus have been prepared in accordance with IFRS.

GLOSSARY OF TERMS

"**Affiliate**" means a company that is affiliated with another Issuer as described below. A company is an Affiliate of another Issuer if (a) one of them is the subsidiary of the other, or (b) each of them is controlled by the same person. A company is "controlled" by a person if (a) voting securities of the issuer are held, other than by way of security only, by or for the benefit of that person, and (b) the voting securities, if voted, entitle the person to elect a majority of the directors of the issuer. A person beneficially owns securities that are beneficially owned by;

(a) a company controlled by that person, or

(b) an Affiliate of that person or an Affiliate of any Issuer controlled by that person.

"**Associate**" when used to indicate a relationship with a person or Issuer, means (a) a partner, other than a limited partner, of that person, (b) a trust or estate in which that person has a substantial beneficial interest or for which that person serves as trustee or in a similar capacity, (c) an issuer in respect of which that person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the issuer, or (d) a relative, including the spouse, of that person or a relative of that person's spouse, if the relative has the same home as that person.

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

"**BCSC**" means the British Columbia Securities Commission.

"**Board**" means the board of directors of the Issuer.

"**CEO**" means chief executive officer of Zenith.

"**CFO**" means the chief financial officer of Zenith.

"**Common Shares**" means common shares without par value in the capital of Zenith.

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

"**CSE Approval**" means the final approval of the CSE in respect of the listing of the Common Shares on the CSE.

"**CSE Policies**" means the rules and policies of the CSE.

"**Effective Date**" means the date of the Final Exchange Bulletin giving notice of the approval by the Exchange of the listing of the Shares of Zenith Exploration Inc. on the facilities of the Exchange and the acceptance by the Exchange of this Agreement and the transactions contemplated by the Agreement.

"**Escrow Agent**" and "**Transfer Agent**" means National Issuer Services Ltd., at its Vancouver office located at suite 760 – 777 Hornby Street, Vancouver BC, V6Z 1S4.

"**Escrow Agreement**" means the escrow agreement among the Issuer, the Escrow Agent, and the holders of Escrow Securities.

"**Escrow Securities**" means the Common Shares held by the directors, officers and insiders that will be deposited pursuant to the Escrow Agreement.

“**Exchange**” means the CSE;

"**Financing**" means the Issuer's financing which raised total gross proceeds of $481,500 through the issuance of 4,815,000 Common Shares at a price of $0.10 per share.

"**Insider**" if used in relation to an issuer, means:

a) a director or senior office of the issuer;
b) a director or senior officer of the Issuer that is an Insider or subsidiary of the issuer;
c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
d) the issuer itself if it holds any of its own securities;

"Issuer" or **"Zenith"** means Zenith Exploration Inc.;

"**Listing**" means the application made by Zenith to list its Common Shares on the Exchange concurrently with the filing of this Prospectus;

"**Listing Date**" means the date on which the Common Shares are listed for trading on the CSE.

"**Named Executive Officers**" means the following individuals:

(a) the Issuer's CEO;

(b) the Issuer's CFO;

(c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Issuer's CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000, as determined in accordance with subsection 1.3(5) of 51-102F6V Statement of Executive Compensation – Venture Issuers, for that financial year; and

(d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of the Issuer, and not acting in a similar capacity, at the end of that financial year.

"**NP 46-201**" means National Policy 46-201 *Escrow for Initial Public Offerings* as published by the Canadian Securities Administrators.

"**NI 51-102**" means National Instrument 51-102 *Continuous Disclosure Requirements*.

"**NI 52-110**" means National Instrument 52-110 *Audit Committees*.

"**NI 58-101**" means National Instrument 58-101 *Disclosure of Corporate Governance Practices*.

"**NI 58-201**" means National Policy 58-201 *Corporate Governance Guidelines*.

"**Optionee**" means the holder of an Option.

"**Options**" means incentive stock options granted to the Issuer's directors, officers, employees and consultants in accordance with the Stock Option Plan and rules and the CSE Policies.

"**Person**" means a company, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual, or an individual.

“**Plan of Arrangement**” means the transaction in which Kidani Capital Partners Inc. spun-off Zenith, together with all its assets and liabilities, as a separate operating entity and, in return, shareholders of Kidani Capital Partners Inc. received Zenith Shares prorated in accordance with their holdings in Kidani Capital Partners Inc.;

"**Prospectus**" means this Prospectus and any appendices, schedules or attachments hereto.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval for the filing of disclosure documents by reporting issuers in Canada, accessible at www.sedar.com;

"**Stock Option Plan**" means the Issuer's stock option plan providing for the grant of Options to the Issuer's directors, officers, employees and consultants in accordance.

CURRENCY

All sums of money to be paid or calculated pursuant to this Prospectus shall be paid or calculated in the currency of Canada unless otherwise expressly stated and the references to $ are to Canadian dollars.

CORPORATE STRUCTURE

Name and Incorporation of Issuer

Zenith was incorporated pursuant to the BCBCA on June 19, 2015 as 1040442 B.C. Ltd. and changed its name to Genix Pharmaceuticals Corp. on October 29, 2015.The Issuer completed a statutory arrangement under a Plan of Arrangement executed and completed between Kidani Capital Partners Inc. (now “TNX Maverick Inc.”), 1040426 BC Ltd., 1040428 BC Ltd., 1040433 BC Ltd., 1040436 BC Ltd., 1040440 BC Ltd. and Genix Pharmaceuticals Corp. on October 29, 2015. Following the completion of the Plan of Arrangement, the Company became a reporting issuer in British Columbia and Alberta.

Genix Pharmaceuticals Corp. changed its name to 1040442 B.C. Ltd. on May 10, 2016 and subsequently to “Zenith Exploration Inc.” on September 29, 2017.

The Issuer’s head office and registered office is located at Suite 1080-789 West Pender Street, Vancouver BC V6C 1H2. The Issuer's common shares do not currently trade on any stock exchange. See “*Corporate Structure*”.

The Issuer is a reporting issuer in both British Columbia and Alberta. The Issuer's common shares do not currently trade on any stock exchange.

Intercorporate relationships

The Issuer has no subsidiaries.

Plan of Arrangement with Kidani Capital Partners Inc.

On July 20, 2015, the Issuer entered into an arrangement agreement dated as of July 10, 2015 among Kidani Capital Partners Inc. (now named Tabu Equity Investments Inc.), the Issuer and other parties (the "**Arrangement Agreement**") in connection with a plan of arrangement (the "**Arrangement**"), which was approved by the shareholders of the Issuer by unanimous shareholder resolution effective July 20, 2015. On August 19, 2015, the court granted the final order approving the Arrangement in accordance with Part 9 of the BCBCA. On October 29, 2015, the Issuer closed the Arrangement and became a reporting issuer in British Columbia. Pursuant to the Arrangement, among other things, the Issuer issued a total of 396,600 Common Shares to the shareholders of Kidani Capital Partners Inc. at a deemed price of $0.01 per Common Share. More information about the Arrangement and a copy of the Arrangement Agreement is available for review under the Issuer's SEDAR profile at www.sedar.com.

Financing

On January 31, 2018, the Issuer completed a private placement comprised of 4,815,000 common shares of the Issuer at a price of $0.10 per share for total proceeds of $481,500.

DESCRIPTION OF THE BUSINESS

The Issuer is engaged in the acquisition and exploration of mineral properties.

The Issuer currently has an option to acquire a one hundred percent (100%) undivided interest in the Lac Matchi Property, its principal property. The Lac Matchi Property is comprised of twelve mineral tenures covering approximately 691.07 hectares located approximately 55km east of Val-d’Or in the province of Québec and 500km north-west of the city of Montréal. The property is easily accessed via the Trans-Canadian

Highway #117 that connects Montréal to Val-d'Or. The city of Val-d'Or is a major full-service center for exploration and mining activities in the region. The Issuer's exploration program will be primarily focused on gold exploration

Three Year History

Since the inception of the Issuer and the completion of the spin-out on October 29, 2015 the Issuer's activities have focused on the acquisition and exploration of the Scotch Creek Property and the Lac Matchi Properties.

The Scotch Creek property comprises 8 map-staked claims covering 1,384.12 hectares (3,418.78 acres) in the Kamloops Mining Division and in the Kamloops Land District in Shuswap Highland in south-central British Columbia. It is located on N.T.S. map sheets 82 L/13 and L/14, and on B.C. map sheet 082L 093. The current expiry date of these claims is February 19, 2023.

Acquisition of the Scotch Creek Property

On November 3, 2017, the Issuer entered into the Scotch Creek Purchase Agreement, with Brent Hahn and Barry Hartley (the "Vendors"), whereby the Vendors granted the Issuer an option to acquire a 100% undivided interest in the Scotch Creek Property. The Issuer was required to issue to the Vendors an aggregate of 15,000,000 Common Shares.

The Issuer will also be responsible to make all government payments in order to maintain the mineral claims in good standing. The Optionor will also retain a 2% net smelter return royalty (the "Royalty") on the Scotch Creek Property.

Acquisition of the Lac Matchi Property

On December 11, 2017, the Issuer entered into the Lac Matchi Agreement, with an arms' length optionor (the "Optionor"), whereby the Optionor granted the Issuer an option to acquire a 100% undivided interest in the Lac Matchi Property. The Issuer is required to:

(a) pay to Optionor:

i) $20,000 in cash upon the execution of the Lac Matchi Agreement (paid);

ii) an additional $10,000 in cash on or before the date that is six (6) months after the Effective Date;

iii) an additional $25,000 in cash on or before the date that is twelve (12) months after the Effective Date; and

iv) an additional $250,000 in cash on or before the date that is twenty-four (24) months after the Effective Date; and

(b) issue to the Optionor:

(i) 200,000 Shares within five (5) business of the Effective Date;

(ii) 100,000 Shares on or before the date that is six (6) months after the Effective Date;

(iii) 500,000 Shares on or before the date that is twelve (12) months after the Effective

Date;

(iv) 750,000 Shares on or before the date that is twenty-four (24) months after the Effective Date; and

(c) incur expenditures on the Lac Matchi Property as follows:

(i) $250,000 on or before the date that is fourteen (14) months after the Effective Date; and

(ii) $750,000 on or before the date that is twenty-eight (28) months after the Effective Date;

The Issuer will also be responsible to make all government payments in order to maintain the mineral claims in good standing.

Competitive Conditions

The mineral exploration industry is competitive, with many companies competing for the limited number of precious and base metals acquisition and exploration opportunities that are economic under current or foreseeable metals prices, as well as for available investment funds. Competition is also high for the recruitment of qualified personnel and equipment. Significant and increasing competition exists for mineral opportunities in the Province of Québec. There are a number of large established mineral exploration companies in the Val d'Or region with substantial capabilities and greater financial and technical resources than the Issuer.

Government Regulation

Mining operations and exploration activities are subject to various laws and regulations which govern prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters.

Environmental Regulation

The Issuer's mineral exploration activities are subject to various federal and provincial laws and regulations governing protection of the environment. In general, these laws are amended often and are becoming more restrictive.

Employees

As of the date of this Prospectus, the Issuer has no employees. The Issuer's executive officers are independent contractors of the Issuer.

Trends

There is significant competition for the acquisition of promising properties, as well as for hiring qualified personnel. The Issuer's competitors may have more substantial financial and technical resources for the acquisition of mineral concessions, claims or mineral interests, as well as for the recruitment and retention of qualified personnel.

The present and future activities of the Issuer may be influenced to some degree by factors such as the availability of capital, governmental regulations, including environmental regulation, territorial claims and security on mining sites. The influence of such factors cannot be predicted.

To the knowledge of the Issuer, other than what is described in this Prospectus, there is no current trend or event that could reasonably influence, in a significant manner, the activities, financial situation or operating results of the Issuer for the current fiscal year. See "*Risk Factors*".

LAC MATCHI PROPERTY

The following represents information summarized from the Technical Report on the Lac Matchi Property dated July 1, 2018 (previously defined as "Technical Report"), prepared by Abby Peterson, P. Geo. and Jean Hubert, Eng. (previously defined as "Qualified Person"), a "qualified person", as defined under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (previously defined as "NI 43-101"), prepared in accordance with the requirements of NI 43-101. Note that not all of the figures and tables from the Technical Report are reproduced in and form part of this Prospectus. The remaining figures are contained in the Technical Report which is available under the Issuer's profile on the SEDAR website at www.sedar.com.

PROPERTY DESCRIPTION AND LOCATION

The Lac Matchi Property is located on NTS sheet 32C03 within Pershing Township and is centered at latitude 48.021°N and longitude -77.1209°W, and UTM 341,858mE and 5,320,815mN, UTM Zone 18 NAD 83.

The property is located at the eastern limit of the Val-d'Or mining camp, 55km east of the city of Val-d'Or and 25km east of the town of Louvicourt. The property is 2km north of Chemin Chimo which runs from the Trans-Canadian highway #117, providing year-round access to the claims. Chemin Chimo is maintained most of the year for vehicular access, however in winter months the road is not maintained east of Chemin du Lac Guéguen and the claims must be accessed by snowmobile. The Route Croinor Rivière Saint-Félix runs N-S parallel to the claims and offers access to the northern portion of the Property. Val-d'Or is a major full-service center for exploration in the region and offers daily flights to and from Montreal.

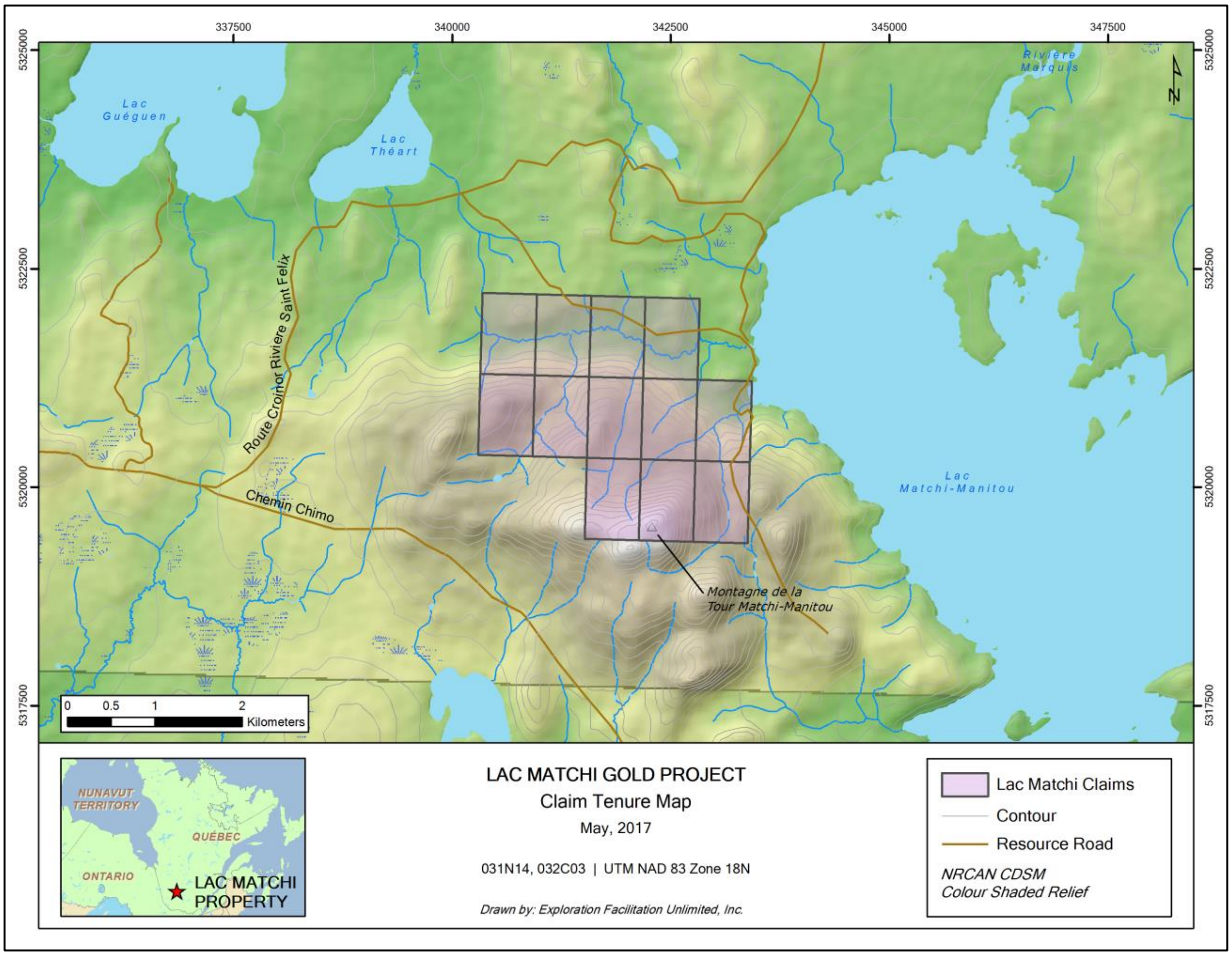


FIGURE 1. LAC MATCHI PROPERTY LOCATION.

The Lac Matchi Property is comprised of twelve (12) claims acquired through map designation, totaling 691.07. The dispositions are registered to Doctors Investment Group Ltd., ("the Optionor."). The identification numbers and areas of the claims can be found in Table 1 below.

TABLE 1 MINERAL CLAIMS OF THE LAC MATCHI PROPERTY

Claim Number	Legal Ownership	Size (ha.)	Acquired	Expires
CDC2472601	Doctors Investment Group Ltd.	57.60	2017-01-17	2019-01-16
CDC2472602	Doctors Investment Group Ltd.	57.60	2017-01-17	2019-01-16
CDC2472603	Doctors Investment Group Ltd.	57.60	2017-01-17	2019-01-16
CDC2472604	Doctors Investment Group Ltd.	57.59	2017-01-17	2019-01-16
CDC2472605	Doctors Investment Group Ltd.	57.59	2017-01-17	2019-01-16
CDC2472606	Doctors Investment Group Ltd.	57.59	2017-01-17	2019-01-16

CDC2472607	Doctors Investment Group Ltd.	57.59	2017-01-17	2019-01-16
CDC2472608	Doctors Investment Group Ltd.	57.59	2017-01-17	2019-01-16
CDC2472609	Doctors Investment Group Ltd.	57.58	2017-01-17	2019-01-16
CDC2472610	Doctors Investment Group Ltd.	57.58	2017-01-17	2019-01-16
CDC2472611	Doctors Investment Group Ltd.	57.58	2017-01-17	2019-01-16
CDC2472612	Doctors Investment Group Ltd.	57.58	2017-01-17	2019-01-16
	Total:	691.07		

Through an option agreement ("Agreement") effectively dated December 11, 2017 ("Effective Date"), Zenith Exploration Inc. has the option to acquire a 100% interest in the Lac Matchi Project from Doctors Investment Group Ltd.

To earn the 100% interest Zenith paid $20,000 to the owner, with a further $10,000 due in six months after the Effective Date, this being the date of the Final Exchange Bulletin giving notice of the approval by the Exchange of the listing of the Shares of Zenith Exploration Inc. on the facilities of the Exchange and the acceptance by the Exchange of this Agreement and the transactions contemplated by the Agreement.

Zenith has also agreed to pay an additional $25,000 on or before that date which is twelve months after the Effective Date and $250,000 on or before the date that is twenty-four months after the Effective date. In the event that the Effective Date is later than June 30, 2018, Zenith shall pay an additional $25,000 to the owner.

In addition, Zenith must issue 200,000 common shares, 100,000 common shares, 500,000 common shares and 750,000 common shares within five days, six months, twelve months and twenty-four months after the Effective Date respectively.

Zenith is also obligated to complete no less than $250,000 and $750,000 in exploration expenditures within fourteen months and twenty-eight months of the Effective Date.

There are no land claim issues, ownership disputes pending on the property or environmental concerns/liabilities. The claims have not been surveyed by the Optionor. The claims give the company the rights to explore and identify resources below the bedrock, but do not include surface rights.

The claims must be renewed every two years on their expiration date, at which time renewal fees must be paid in order to maintain ownership. Each claim also requires a minimum number of dollars spent on exploration work over the two-year period, with a report describing the works performed due sixty (60) days before the renewal date of said claims. If works are not performed, the owner may pay an amount varying between 100-200% of the amount required to be spent on the claims in order to be able to renew the claims. If an excess of money has been spent on claims, the amount can be credited forward (over a maximum of six (6) renewal cycles) and/or can be applied to any other claims still requiring expenditures, as long as those claims are within a 4.5km radius of the claim posting an excess in spending

For the Lac Matchi Property, the total renewal fees for the twelve claims is $769.08. The work expenditure is $9,360. The total excess of work credits for the Lac Matchi property equal $97,240.

The Québec Government requires that the owner of the claims consult the Ministère des Forêts, de la Faune et des Parcs (MFFP) as soon as exploration work requires cutting down any size or type of tree or the construction of permanent structures on the claims. For example, line-cutting and diamond drilling would require the acquisition of a permit (Permis d'intervention) as well as First Nations consultations before any work can begin. It also requires hiring a forestry technician to estimate the volume of merchantable timber that will be cut during the work in order to assess the proper stumpage fees to be paid.

There are no formally registered land owners on the claims. There is no current commercial logging in the area. There are no known restrictions to land-use on the claims. As per Québec law, notice must be provided to the local community 30 days prior to performing any exploration work on the claims.

Due to the fact that First Nations must be consulted before any type of major work is performed on the claims (construction, diamond drilling, line cutting, stripping or trenching), it is possible that breaks in communications between the government and First Nations could result in delays with issuing permits required to begin work. There are no other known risks or factors that could affect the ability to perform work on the property.

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, AND PHYSIOGRAPHY

The Lac Matchi Property is located approximately 55km east of Val-d'Or and 25km east of the town of Louvicourt. The property is accessed via Chemin Chimo, a road that runs east from the Trans-Canadian highway (#117 from Val-d'Or) towards Lac Matchi-Manitou, passing within two kilometers of the southern claim boundary. The Route Croinor Rivière Saint-Félix is a N-S road that parallels the claims, providing additional access to the northern portion of the Property. Val-d'Or is an important economic center for the region, with a population of 32,000 and daily flights and bus service from Montreal.

Access to the claims is somewhat complicated. The northern line of claims is bisected from east to west by a river feeding into Lac Matchi. The only road that crosses the Property is north of the river. Access south of the river must be done by foot or ATV in summer or snowmobile in winter. A road passes along the eastern-most claims, however it's status is unknown.

The property is located within the municipality of Val-d'Or in Pershing Township on NTS sheet 32C03. The property's central point is located at 48.021° latitude and -77.1209° longitude.

The Lac Matchi Property is characterized by a large hill (Montagne de la Tour Matchi Manitou) with its peak in the southern-most central claim. From here, the topography grades steeply towards the central claims and then somewhat more gently towards the flats of the northern claims and the shores of Lac Matchi Manitou to the east. The property is at an elevation of approximately 370m above sea level with the highest point on the claims at approximately 530m above sea level. Bedrock is overlain by layers of sand and gravel with thin soil cover and sparse vegetation. Rock exposure on the claims is limited, with less than 5% outcrop. Vegetation consists predominantly of boreal forests. Streams and lakes flow north into the Louvicourt River, then on to the Bell River that flows into James Bay.

Climate data is from Environment Canada's Climate Normals metadata, collected at the Val-d'Or meteorological station between 1971 and 2000 (http://climate.weather.gc.ca/climate_normals/ accessed October 9, 2017).

The region experiences a continental climate with average daily temperatures of -17.2°C in January, 17.2°C in July and an annual average of 1.2°C. The daily minimum was -23.5°C in January and the daily maximum was 23.4°C in July. Peak rainfall occurs in July with an average of 95.4mm and a total of 635.2mm for the year. Snowfall peaks in December with an average of 61.0cm and a total annual snowfall of 300.4cm. Annual precipitation is 914.0mm. Work at Lac Matchi can be performed year-round, however areas of the property covered in wetlands, swamps, or water would be best explored in the fall when ground water levels are at their lowest, or in the winter months when the ground is frozen and access is easier.

HISTORY

The earliest reconnaissance work in the area was completed under the direction of Robert Bell during his survey of the Bell River, between 1887 and 1896. The results of this reconnaissance work were published in the Annual Report of the Geological Survey of Canada (vol. III, pt. 1A, 1887-88, p. 22-27; vol. III, pt. A, 1895, p. 75-81; and vol. IX, pt A, 1896, p. 66-67).

Claims in the Lac Matchi area were first staked in 1924 by the Nipissing Mines company. They carried out early prospecting work before optioning the grounds to various entities in the 1930's. GM14043 (Kerr, 1964) mentions the first discovery in the area occurring in 1924 on land later held by the Russian Kid Mining group. This discovery is not located on the claims comprising the Lac Matchi Property.

In 1951, an electromagnetic survey was completed in the Lac Matchi-Manitou area on behalf of East Sullivan Mines Ltd. The survey part of the eight (8) eastern-most claims of the Lac Matchi Property, identifying several conductive zones in the rocks immediately to the east of the property and beneath Lac Matchi-Manitou.

In December of 1954, a large airborne geophysical survey was completed covering parts of Pershing and Vauquelin Townships which included the entire Lac Matchi Property. The survey showed a significant, generally east-west-trending electromagnetic anomaly, located approximately two kilometers south of the Property (R.M. Parkinson, 1954).

Little work was completed on the property between 1954 and 1981. In 1972, a general geological mapping project was undertaken by the Ministère des Richesses Naturelles that focused primarily on the Pershing-Manitou batholith and land to the north of the Property. No additional documents outlining work done during this period for the area have been found by the authors.

By 1981, parts of the property appear to have been acquired by Bluesky Resources Ltd. as part of their Vauper project. Work was carried out predominantly on claims overlying the Pershing-Manitou batholith to the north. In the spring of 1981, VLF electromagnetic surveys were conducted over the batholith, covering the north-eastern corner of the Lac Matchi property. Seven targets outlined by the VLF survey were drilled the same year. None of the drill holes are located on the Lac Matchi Property.

Bluesky continued exploration on the Pershing-Manitou batholith into 1982 with the company now renamed Bluesky Oil and Gas Ltd. An aeromagnetic survey was completed outlining a further five drill targets within shear zones along the contacts of the Pershing-Manitou batholith. A follow-up diamond drill program was completed. Two of the holes intersected gold in sulfide-bearing quartz veins with grades of 0.02 oz/ton over 1 ft and 0.01 oz/ton over 3 ft. (J. Hansen and D. Harder, 1982). None of the drill holes are located on the Lac Matchi property.

By 1983, the claims comprising the Vauper project appear to have been taken over by Redford Resources Inc. In this year Redford Resources completed a VLF and Mag study of the large property, which overlapped partially with the 10 northern claims of the present-day Lac Matchi property. The VLF survey identified 106 anomalies which were confirmed by the horizontal loop EM survey but did not show up on the magnetic survey. The surveys failed to identify any strong anomalies. 69 weak conductors were selected for follow-up and 10 miles of Induced Polarization were recommended (Lavoie, C., 1983). The following year, with the Vauper project now under the control of Yorbeau Ressources Inc., a follow-up magnetometer and EM program was undertaken. In the fall of 1984, Yorbeau completed additional geophysical work, as well as a geochemical study and drill program. Due to the low percentage of outcrop in the region, the drill program was used to supplement their geochemical sampling program. By November of that year, 47 drill holes were completed totalling approximately 8,200m. Two of those drill holes are located within the Lac Matchi Property (V84-43 and V84-44, Parent, G., 1984) and were drilled into the Pershing-Manitou Batholith. The results of the drilling are not included in the associated report.

In 1985, a report by Paul E. Dumont for "CLAIMS PROVOST" details a week-long magnetometer survey completed in an area overlapping the 6 northwestern claims of the Lac Matchi Property (Dumont, P., 1988). In the southwestern portion of these claims, the survey outlined a major northeast-trending magnetic anomaly, is otherwise inconclusive. The next year (1986), 78 soil samples spaced 200 ft. apart were taken on the western 3rd of the claims. Four samples returned anomalous gold values (43ppb, 24ppb, 17pbb, and 12ppb). Three of these samples were found to follow a north -east trend, correlating with a region of high copper values in the soil. In 1988, further soil sampling (78 samples at 200ft) on the rest of the claims did not yield any notable results, though a mag survey completed at the same time identified an anomalous north-west trend correlating with the previous gold values obtained. A major magnetic anomaly was found to run parallel to the north-east-trending creek, interpreted by Dumont to suggest a fault along the creek, possibly favourable for gold mineralization.
In 1988 Yorbeau Resources commissioned a 1:20000 scale LANDSAT survey of the Pershing-Manitou batholith (Touborg, J., 1988). The main findings of this survey included the outlining of conjugate shear systems associated with the Cadillac Malartic break, a NW-SE diabase and/or fault system, a NW-SE tensional fracture and/or fault system, and a N-S diabase and/or fault system. These findings indicate that the Pershing-Manitou and nearby Bourlamaque batholiths have very similar fracture patterns. The Bourlamaque batholith's ENE-WSW shear trend is mineralized and hosts several gold mines; a possible indication of similar potential in the Pershing-Manitou batholith.

This same year Yorbeau undertook a second diamond drilling program on its Vauper Property, completing 29 holes totalling 4,664.9 meters. Two holes (V88-69 to 64m and V88-70 to 97.23m) are located on the present-day Lac Matchi claims. Both holes were targeting VLF anomalies, and both intersected chlorite and hematite altered shear zones. The gold values for both holes are listed as 'trace' and no additional assay results could be found (Brack, W., Gagnon, P., and St-Onge, N., 1989).

From the late 1980s to the 2000s, the Lac Matchi Property experienced limited exploration with most of the work being either compilation work performed by the Ministry or broad-scale geophysical surveys that encompassed the claims. The eastern half of Vauquelin Township was mapped as part of a large-scale mapping effort completed by the Ministère de l'Énergie et des Ressources du Québec in 1986 (Rocheleau et al., 1987). The Property was covered by airborne geophysical surveys including Megatem II surveys flown between 2001 and 2003 (DP2008-41) by Fugro on behalf of several mining companies.

GEOLOGICAL SETTING and MINERALIZATION

Regional Geology

The Lac Matchi Property lies at the southeastern end of the Val-d'Or Mining Camp, just north of the major Cadillac Tectonic Zone (CTZ) and approximately 12km northwest of the Grenville Front. The property is also at the southern end of the Abitibi Greenstone Belt of the Superior Province, Abitibi sub-province. Regional lithology is Archean in age with cross-cutting Proterozoic dykes. The rocks are sub-divided into two volcano-sedimentary packages separated by a shear zone representing the eastern extension of the Cadillac Tectonic Zone. The first assemblage corresponds to the eastern extension of the Motte-Vassan depression which is made up of the rock of the Dubuisson and Caste Formations of the Malartic Group, overlain by the Jacola, Val-d'Or and Héva Formations. The second assemblage corresponds to the Villebon depression and includes rocks from the Villebon, Pontiac and Trivio Groups. The rocks are oriented WNW-ESE, dip steeply to the north and have a younging direction towards the south (Folco, 1988). Numerous mafic to felsic stocks, plutons, dykes and sills intrude the rocks of the region, representing a series of syn- to post-volcanic and deformation events. The northeastern corner of the property overlies the granitic Pershing-Manitou pluton.

Local Geology

The property overlies the eastern-most extent of the Val-d'Or Formation which has an east-west orientation and variable width of 5 to 8km, extending from the city of Val-d'Or to the Grenville front. The Val-d'Or Formation is host to the bulk of the gold deposits of the Val-d'Or mining camp. The Val-d'Or Formation is characterized by felsic to intermediate pyroclastic rocks. The pyroclastic units are inter-fingered with andesitic to basaltic flows that can be massive, pillowed or brecciated. The area is intruded by pre-deformation mafic and felsic plutons, dykes and sills. The most notable felsic intrusive in the area is the Bevcon pluton, a granodiorite to quartz-diorite pluton approximately 12km^2 in size. Other felsic intrusions include feldspar porphyry and quartz-feldspar porphyry dykes as well as granodiorite to tonalite dykes that can be 20 to 30 m thick. Mafic intrusions include meter-thick diorite and gabbro lenses, often intercalated with the lavas. These lenses can be weakly mineralized with disseminated pyrite and pyrrhotite. The Vicour Sill is a 7km long pre-deformation intrusion with an E-W trend that cuts the Val-d'Or Formation near it's contact with the Héva Formation to the west of the Lac Matchi Property.

The post-tectonic Pershing-Manitou granitic batholith intrudes the Val-d'Or Formation in four claims of the Lac Matchi Property. The batholith is the most important intrusion in the region and is almost 100km^2 in size. Outcroppings of the batholith tends to form large buttes, especially around Lac Guéguen. Elsewhere, outcrops are rare.

Metamorphism in the region is predominantly greenschist facies. Approaching the Grenville Front, metamorphism gradually increases to amphibolite facies. Contact metamorphism has also been observed around the Pershing-Manitou batholith with a contact aureole at amphibolite facies.

The region has been subjected to three deformation events. The first event created localized isoclinal folds along the Cadillac Tectonic Zone in the Chimo Mine area. This event also created S1, a schistosity that is difficult to identify due overprinting by the much stronger regional deformation D2. S1 has mostly been identified in sedimentary rocks and some pyroclastic units. The main event, D2, is responsible for the E-W tectonic fabric, the main folds P2 and the dominant schistosity S2. This D2 deformation event is associated with tight isoclinal folds oriented E-W that generally plunge to the NE. Shear zones that parallel the axial planes of the folds are also associated with D2. S2 is parallel to the axial planes of the P2 folds, the E-W shear zones and the flattening of geological features such as pillows, fragments, crystals and vesicles. A regional post-deformation phase created a network of NE dextral kinks and NNW sinistral kinks. NE-SW open folds that plunge to the NE are also associated with this third post-deformation phase. S3 is characterized by crenulation cleavage that gradually turns into shearing approaching the Grenville Front. Large E-W shear zones are interpreted as regional faults (Rocheleau, et al., 1987).

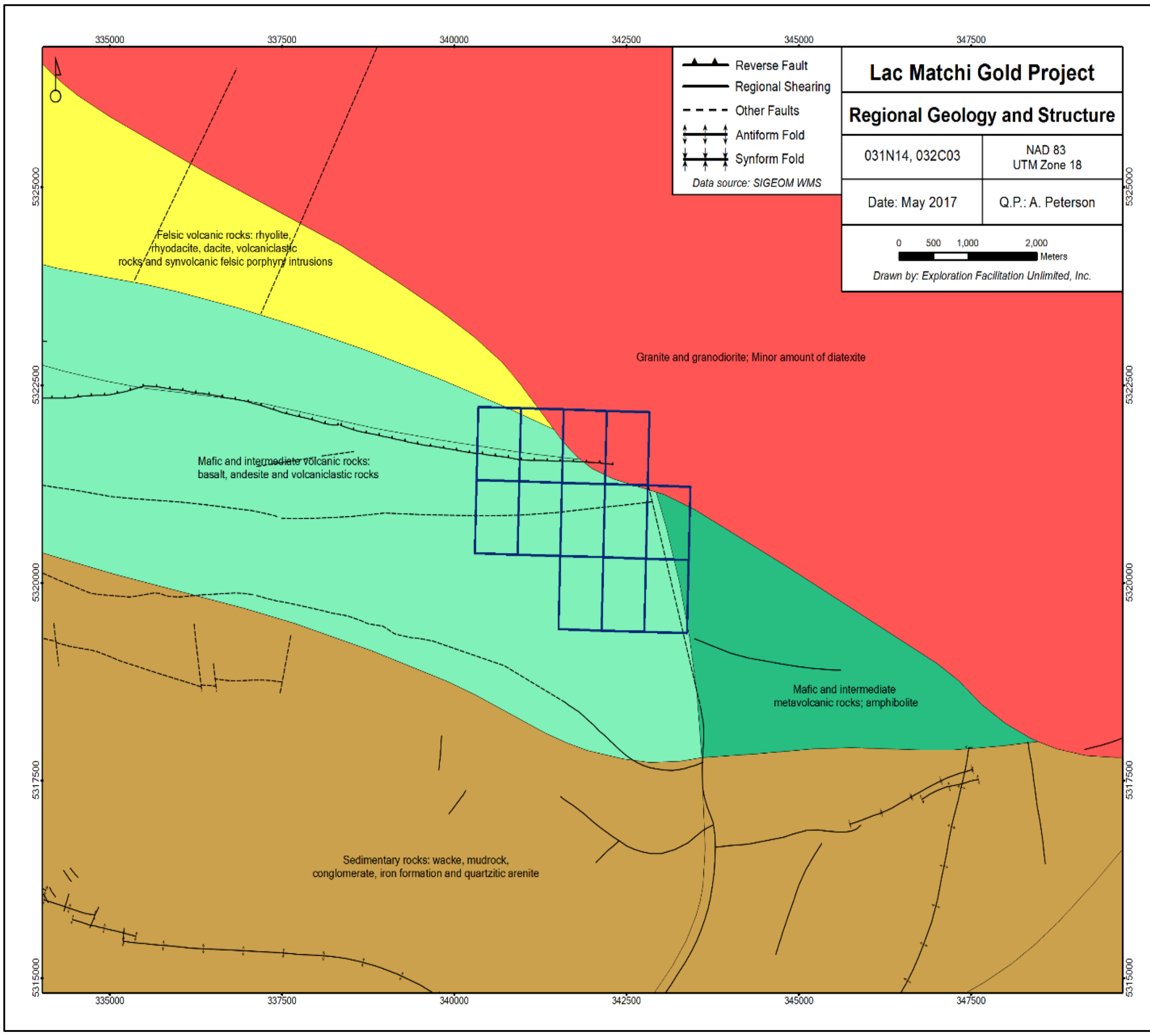


FIGURE 2. REGIONAL GEOLOGY, LAC MATCHI PROPERTY.

Property Geology

The Lac Matchi Property overlies rocks of the Val-d'Or Formation, the Trivio Group and the Pershing-Manitou Batholith. The Property straddles the contact between the La Motte – Vassan and Villebon depressions, the trace of which roughly follows the regional shear that cuts through the central claims. The Val-d'Or Formation is characterized by the appearance of explosive volcanism which accompanies the more effusive lavas, with compositions ranging from basalts to rhyodacites and rhyolites. The Val-d'Or Formation is composed of three bands of pyroclastic rocks intercalated with volcanic flows. The most common facies in the pyroclastic units comprise block or lapilli tuffs and crystal tuffs with plagioclase. Beds range in thickness from dm- to m-size. The lavas alternate between massive to sometimes vesicular flows at the base covered by pillowed or brecciated flows, with brecciated flows being the dominant facies. The rocks of the Val-d'Or Formation are representative of a calc-alkaline phase of volcanism within the Val-d'Or Domain.

The property is cut by several E-W shear zones. One regional-scale structure that extends for over 7km in strike-length and has demonstrated a reverse sense of movement, and another dextral regional fault to the south, similar in strike length. A probable regional fault zone cuts the easternmost claims in a N-S direction, roughly following the boundary of the amphibolite facies in the Trivio group.

At surface, the property is mostly covered by sand and gravel with less than 5% outcropping.

Mineralization

Due to the limited amount of exploration carried out thus far on the Lac Matchi claims, the nature, extent and grade of any potential mineralization on the Property remains unknown. Of the four diamond drill holes historically completed on the claims, two intersected chlorite and hematite altered shear zones that returned trace amounts of Au.

DEPOSIT TYPE

The Lac Matchi Property was investigated for both gold and base metal mineralization. The large deformation corridors that cut through the central part of the claims were thought to be favourable structures for anomalous lode gold mineralization by management at EFU in their exploration proposal, while the presence of felsic volcanics showed potential for VMS style deposits. Gold and zinc showings occur adjacent to the Lac Matchi Property. At Lac Matchi, the Pershing-Manitou batholith intruded felsic to intermediate tuffs and lavas and may have favored the circulation of mineralized fluids along the contacts between the different units as well as along secondary shear zones that bound various lithological units.

Due to the limited amount of sub-surface work and limited outcrop exposure, mineralization type, location, width and continuity of any potential deposit on the property is still unknown.

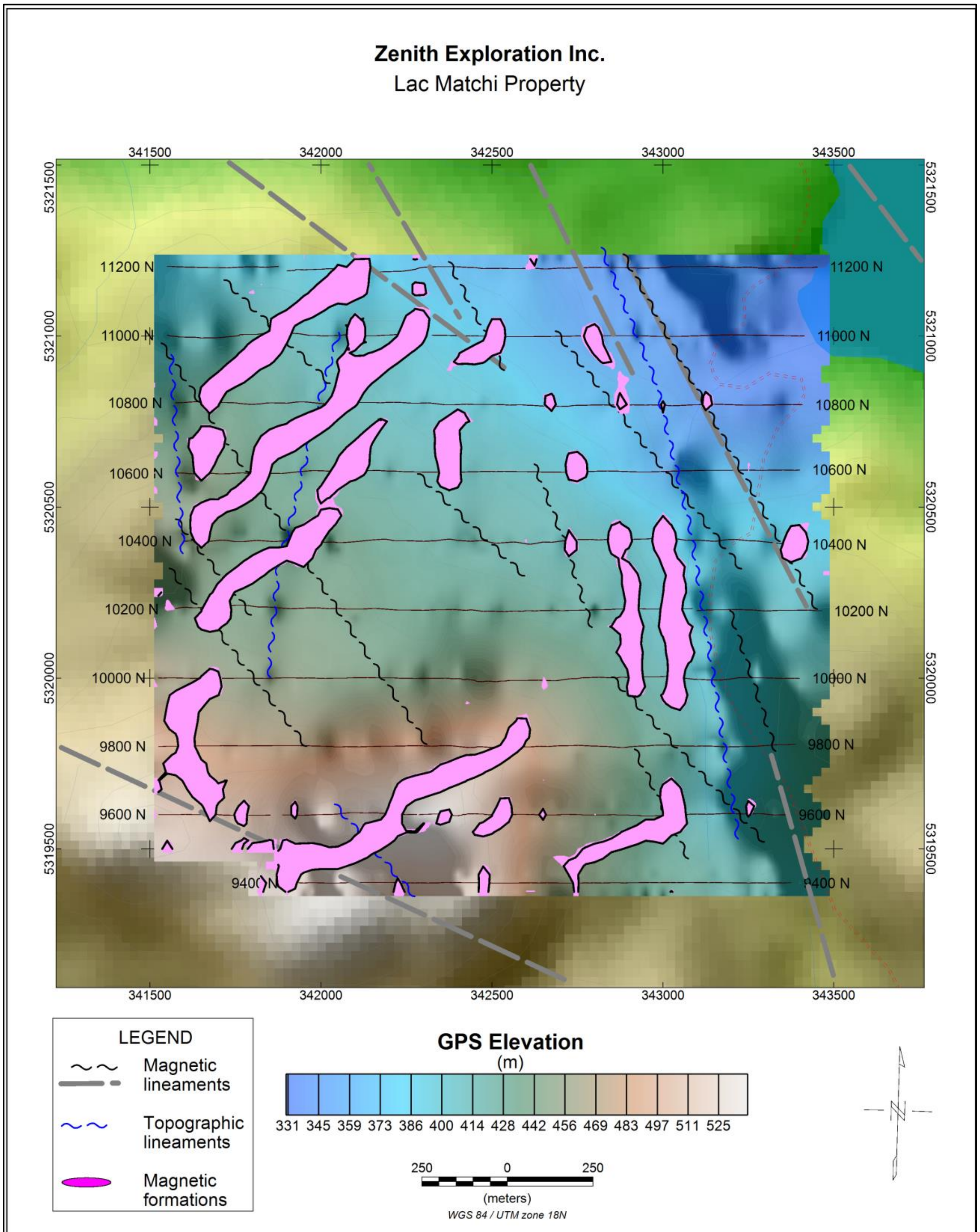
EXPLORATION

From 31 January through 21 February 2017, Canexplor Management Ltd contracted Exploration Facilitation Unlimited Inc to carry out a work program on the Lac Matchi Property. The field program consisted primarily of ground geophysical surveys (magnetometer and beep mat) with soil samples taken as a complementary data set.

MAGNETIC SURVEY

A ground magnetometer survey was completed on the Lac Matchi property from February 7th to 17th, 2017. The magnetometer survey was completed using a GSM-19V Overhauser Magnetometer built by GEM of Toronto, Ontario. Magnetic diurnal was monitored with a GMS-19 base station. The raw magnetic readings were downloaded, and the magnetic diurnal corrections subsequently applied. The survey, which covered six (6) of the twelve (12) claims, consisted of 19.9 line-km and a total of 1,537 magnetic readings. Readings were taken every 12.5m along ten (10) survey lines spaced 200m apart.
The raw data was sent to Jean M. Hubert, Eng. in Quebec, for interpretation. The results of the survey outlined several magnetic formations trending N-S in the eastern part of the claims, and NE-SW in the western portion. These bodies appear to be approximately 100m-150m in width and around 500m in length. The interpretation attributes these magnetic anomalies to possible mafic to ultramafic formations. The magnetic lineaments have been interpreted from the available Aeromagnetic data and are considered to potentially represent NW-SE structures. Figure 3 is an interpretation of the magnetic survey with E-W survey lines shown.

FIGURE 3: MAG INTERPRETATION (WITH E-W SURVEY LINES)



BEEP MAT

The beep mat program was designed to cover the six southeastern claims with gridlines spaced 100m apart. Gridlines were oriented E-W and N-S to properly investigate the structures running parallel and perpendicular to the main structures that cross the property.

Areas of interest identified during the initial survey were further investigated using beep mat lines spaced 50m apart. In total, 49.8 line-km of beep mat survey were completed. Due to adverse weather conditions, completion of the E-W lines was given priority over the N-S. Figure 4 shows the area covered by the beep mat survey. Due to the failure of the Beep Mat program to identify potential drill targets, the focus of the exploration program was shifted to a soil sampling program to generate a secondary data set to complement the magnetometer data.

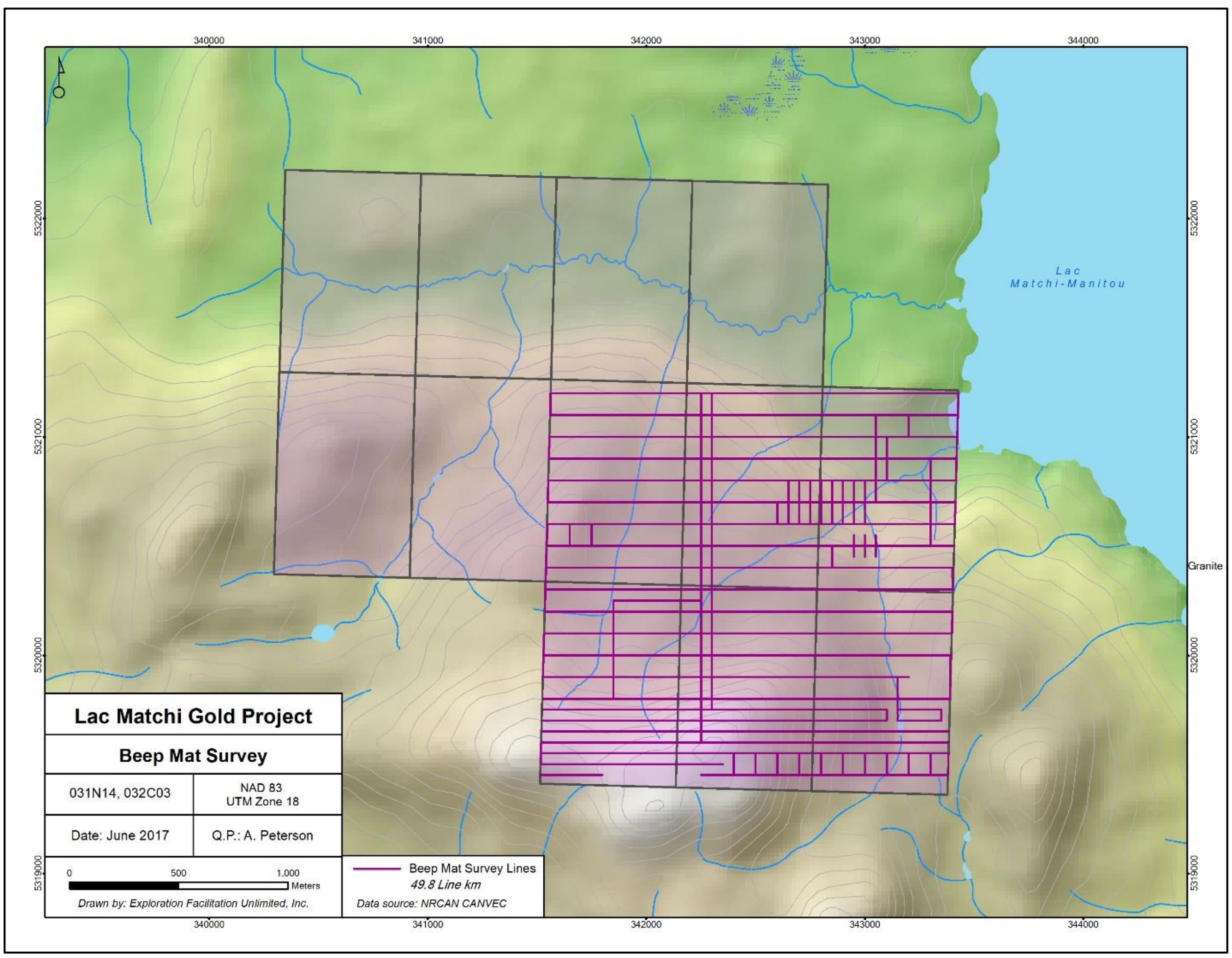
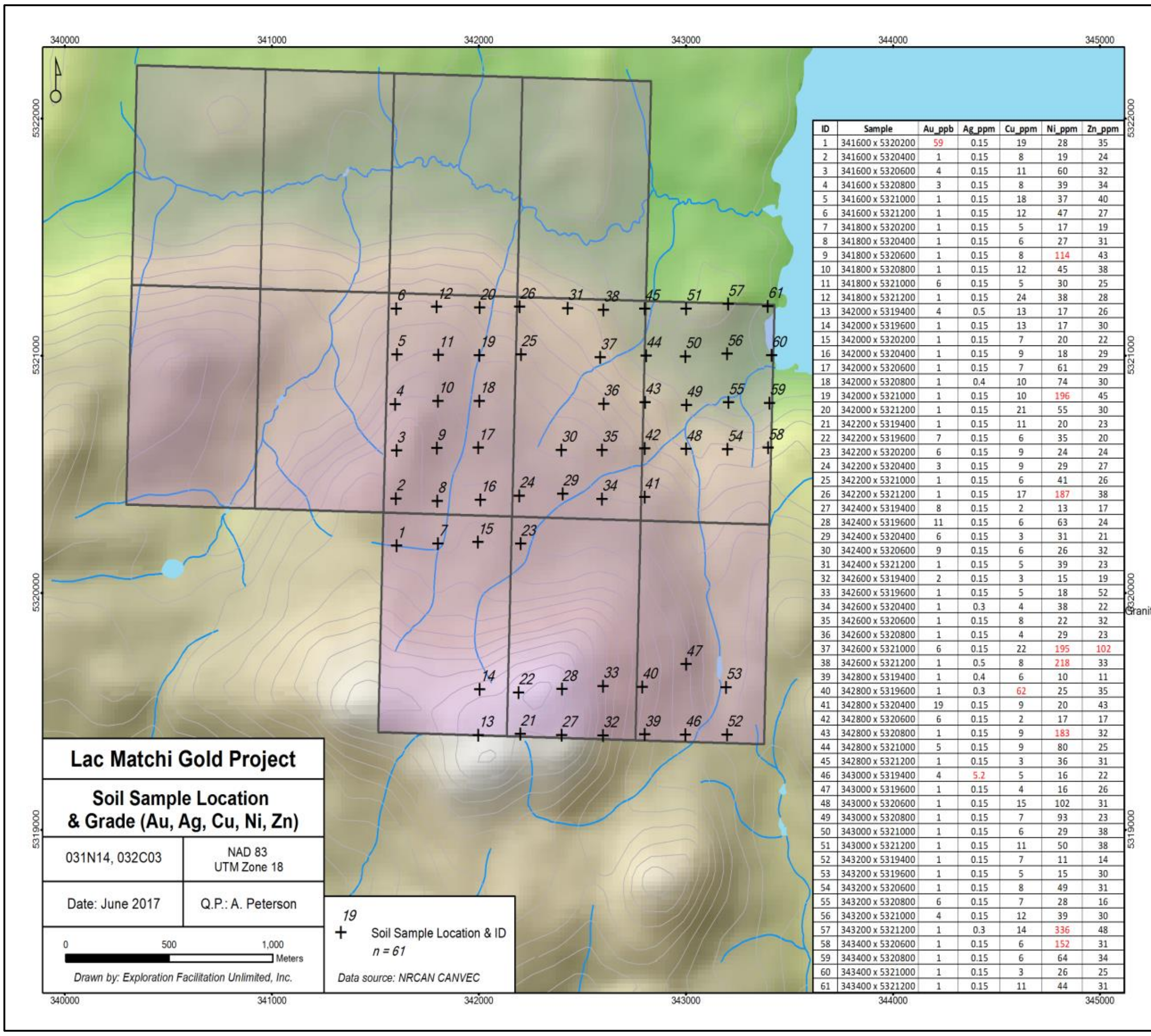


FIGURE 4: LOCATION OF BEEP MAT SURVEY LINES.

SOIL SAMPLING

The middle and southern sections of the Property were covered by a soil sampling program at 200m spacing, to complement the geophysics datasets. A total of 61 soil samples were collected. The bulk of the samples collected were from either a sandy clay or silty clay horizon. Actual sample depths were not recorded, only the sampled horizon. Figure 5 shows the results of the soil sampling program with values determined to be anomalous highlighted in red. Mapping indicates that the property geology includes mafic to intermediate or felsic volcanics and intrusives. These rocks are known to naturally carry, on average, 0 to 1 ppm Ag, 10 to 100ppm Cu and Zn, <1 to 150 ppm Ni and less than 5ppb Au (http://www.nr.gov.nl.ca/nr/mines/prospector/matty_mitchell/avg_adbund_table.html).



ID	Sample	Au_ppb	Ag_ppm	Cu_ppm	Ni_ppm	Zn_ppm
1	341600 x 5320200	59	0.15	19	28	35
2	341600 x 5320400	1	0.15	8	19	24
3	341600 x 5320600	4	0.15	11	60	32
4	341600 x 5320800	3	0.15	8	39	34
5	341600 x 5321000	1	0.15	18	37	40
6	341600 x 5321200	1	0.15	12	47	27
7	341800 x 5320200	1	0.15	5	17	19
8	341800 x 5320400	1	0.15	6	27	31
9	341800 x 5320600	1	0.15	8	114	43
10	341800 x 5320800	1	0.15	12	45	38
11	341800 x 5321000	6	0.15	5	30	25
12	341800 x 5321200	1	0.15	24	38	28
13	342000 x 5319400	4	0.5	13	17	26
14	342000 x 5319600	1	0.15	13	17	30
15	342000 x 5320200	1	0.15	7	20	22
16	342000 x 5320400	1	0.15	9	18	29
17	342000 x 5320600	1	0.15	7	61	29
18	342000 x 5320800	1	0.4	10	74	30
19	342000 x 5321000	1	0.15	10	196	45
20	342000 x 5321200	1	0.15	21	55	30
21	342200 x 5319400	1	0.15	11	20	23
22	342200 x 5319600	7	0.15	6	35	20
23	342200 x 5320200	6	0.15	9	24	24
24	342200 x 5320400	3	0.15	9	29	27
25	342200 x 5321000	1	0.15	6	41	26
26	342200 x 5321200	1	0.15	17	187	38
27	342400 x 5319400	8	0.15	2	13	17
28	342400 x 5319600	11	0.15	6	63	24
29	342400 x 5320400	6	0.15	3	31	21
30	342400 x 5320600	9	0.15	6	26	32
31	342400 x 5321200	1	0.15	5	39	23
32	342600 x 5319400	2	0.15	3	15	19
33	342600 x 5319600	1	0.15	5	18	52
34	342600 x 5320400	1	0.3	4	38	22
35	342600 x 5320600	1	0.15	8	22	32
36	342600 x 5320800	1	0.15	4	29	23
37	342600 x 5321000	6	0.15	22	195	102
38	342600 x 5321200	1	0.5	8	218	33
39	342800 x 5319400	1	0.4	6	10	11
40	342800 x 5319600	1	0.3	62	25	35
41	342800 x 5320400	19	0.15	9	20	43
42	342800 x 5320600	6	0.15	2	17	17
43	342800 x 5320800	1	0.15	9	183	32
44	342800 x 5321000	5	0.15	9	80	25
45	342800 x 5321200	1	0.15	3	36	31
46	343000 x 5319400	4	5.2	5	16	22
47	343000 x 5319600	1	0.15	4	16	26
48	343000 x 5320600	1	0.15	15	102	31
49	343000 x 5320800	1	0.15	7	93	23
50	343000 x 5321000	1	0.15	6	29	38
51	343000 x 5321200	1	0.15	11	50	38
52	343200 x 5319400	1	0.15	7	11	14
53	343200 x 5319600	1	0.15	5	15	30
54	343200 x 5320600	1	0.15	8	49	31
55	343200 x 5320800	6	0.15	7	28	16
56	343200 x 5321000	4	0.15	12	39	30
57	343200 x 5321200	1	0.3	14	336	48
58	343400 x 5320600	1	0.15	6	152	31
59	343400 x 5320800	1	0.15	6	64	34
60	343400 x 5321000	1	0.15	3	26	25
61	343400 x 5321200	1	0.15	11	44	31

FIGURE 5: SOIL SAMPLE LOCATIONS WITH ASSAY RESULTS FOR AU, AG, CU, NI AND ZN.

The soils returned gold-in-soil values ranging from background to 59ppb Au. The soils also returned background to maximum values of 5.2ppm Ag, 62 ppm Cu, 336ppm Ni and 102ppm Zn. Of the 61 samples collected, 11% returned anomalous nickel values between 152 and 336 ppm.

DRILLING

No diamond drilling was completed on this property during the 2017 field season. The four historical diamond drill holes completed within the current property boundaries were discussed in the History Section.

SAMPLE PREPARATION, ANALYSIS, AND SECURITY

The authors do not know any of the sampling or security details regarding historical work programs on the Property. Due to the early stage of exploration on the Property, no formal Quality Assurance/Quality Control (QA/QC) protocol has been established. For the 2017 program, samples collected in the field were described in detail before being inserted into plastic sample bags. UTM co-ordinates and a brief description were also recorded for each individual sample. Samples were placed into plastic sample bags with a sample tag inserted into the bag and the corresponding number written in black permanent marker on the outside of the bag. Sample bags were then sealed using plastic zip ties before being removed from the field. All samples collected during the exploration program were stored under lock and key in Justin Rensby's room until samples were ready for transport. Mr. Rensby is EFU's staff P. Geo who supervised all exploration activities at Lac Matchi. Samples were reviewed a second time to ensure all samples were properly identified prior to transport. Samples were then transported by Mr. Rensby from the accommodations at Lac Villebon to the EFU facilities in London, Ontario. Here, the soil sample bags were opened and allowed to air dry for 7 days before being sealed once again with zip ties once dry. The samples were then transported by Mr. Rensby to Activation Laboratories Ltd. ("Actlabs") in Ancaster, Ontario for analysis. At no time were the samples in the possession of a third party. The authors have deemed the sample preparation and security procedures employed by EFU employees to be adequate.

Once at the lab, samples were assayed using a combination of Actlab's 4-acid "Near Total" Digestion in conjunction with INAA analysis of resistive elements. The 4-acid digestion utilizes hydrochloric, nitric, perchloric and hydrofluoric acids to digest samples. In order to accurately reproduce digestion conditions for each analysis, Actlabs automates the process with the use of a microprocessor designed hotbox. Because certain minerals can only be partially dissolved in solution, INAA (Instrumental Neutron Activation Analysis) was used to accurately determine the concentration of those elements in the soil samples. INAA yields total metal concentrations and is a very good tool for determining elements such as gold, cobalt, arsenic and uranium.

Actlab's quality management system operates in accordance with ISO/IEC 17025:2005 (CAN-P-4E) and is also compliant with CAN-P-1579 Guidelines for Mineral Analysis Testing Laboratories. The management system and methods are accredited by the Standards Council of Canada.

The Company chose not to submit external standards in the 61-sample soil program and chose to rely on the QA/QC protocols of Actlabs.

Actlabs is considered by the authors to have adequate sample preparation, security, and analytical procedures, and to operate at industry standards. Zenith Exploration Inc and Doctors Investment Group Ltd. have no relationship with Actlabs other than as a client.

DATA VERIFICATION

Co-author Peterson has reviewed the historical information listed in the reference section. No irregularities were noted by the author. The authors have reviewed the data from the exploration programs completed by Exploration Facilitation Unlimited Inc. on behalf of the vendor and sees no irregularities. Results of the 2017 exploration program were verified using the assay certificates. Blanks, standards and duplicates inserted by the laboratory were found to be within the acceptable ranges of values indicating no contamination between samples during analysis. Co-author Peterson visited the Lac Matchi Property on February 17th and 18th, 2017 and verified numerous soil sampling locations. The authors are therefore satisfied the exploration data is adequate for the exploration program it supports for the purposes of this Prospectus.

MINERAL PROCESSING and METALLURGICAL TESTING

The author is unaware of any mineral processing and/or metallurgical testing having been carried out on the subject Property.

MINERAL RESOURCE ESTIMATES

No Mineral Resource, as currently defined by Canadian Institute of Mining, Metallurgy and Petroleum (C.I.M.) terminology, has been outlined on the Property.

MINERAL RESERVE ESTIMATES

No Mineral Reserve, as currently defined by Canadian Institute of Mining, Metallurgy and Petroleum (C.I.M.) terminology, has been outlined on the Property.

ADJACENT PROPERTIES

There are no adjacent properties relevant to this report. The following information on the nearby Forsan and Nordeau deposits, the Chimo Gold mine and the Matchi-Manitou Ouest showing are considered by the authors to be relevant. The Forsan and Nordeau deposits, and the past-producing Chimo Gold mine are located approximately 10 kilometers west of the Lac Matchi Property. The Matchi-Manitou Ouest showing is located approximately 1.7 kilometers east of the subject Property.

Forsan Deposit

The Forsan showing, controlled by Pershimex Resources, formerly Khalkos Exploration,occurs in the same volcanic rocks as the Lac Matchi Property that host the main E-W shear zone that cuts through the Property's northern claims. Golden Share Mining Corp. completed trenching and two diamond drill programs in 2008 and 2009, culminating in the discovery of two new mineralized zones, added to the existing Forsan Main Zone: The Forsan Southwest and Forsan East zones. In 2009, Golden Share Mining Corp. calculated a NI 43-101 compliant resource estimate comprising an Inferred Resource of 132,000 metric tons at 3.52 g/t for the main Forsan Mineralized Zone using a cut-off grade of 2.50 g/t gold (Turcotte and Pelletier, 2009). Gold mineralization at Forsan is hosted in quartz-tourmaline veins with pyrite and chalcopyrite. The authors have not verified the Golden Share information and resource estimate.

Nordeau Deposit

The gold mineralization at the Nordeau Deposit occurs in sheared and deformed corridors hosted in mafic volcanics of the Trivio Formation at the far eastern extent of the Cadillac-Larder Fault. In 2009, Plato Gold Corp. published a NI 43-101 compliant resource estimate that included an Indicated Resource of 225,342 tonnes at 4.17 gpt gold and an Inferred Resource of 1,112,321 tonnes at 4.09 gpt gold using a cut-off grade of 2.76 gpt gold (Langton and Horvath, 2009). In 2014, diamond drilling by Globex Mining confirmed results from drilling completed by Plato and identified new mineralized zones not previously sampled. The Plato resource estimate was not updated. The authors have not verified the Nordeau exploration information and resource estimate.

Chimo Gold Mine

The Chimo Gold mine is a past-producing gold mine controlled by Ressources Cartier and is located on the same structure as the Nordeau deposit (Cadillac-Larder Fault). Historically, the mine has produced 2.4Mt of ore at 4.8 g/t Au over three separate periods: 1964-1967 by Chimo Gold Mines, 1984-1988 by Louvem and

1989-1997 by Cambior (taken from Ressources Cartier's website). The gold-bearing intercepts are associated with deformation corridors that cut through oxidized iron formations, volcanic rocks and mafic to intermediate volcaniclastic rocks. Mineralization at Chimo varies depending on the zone and can consist of:

- Coarse-grained arsenopyrite as semi-massive bands or as laminations associated with pyrrhotite,
- Smoky quartz veins with free gold,
- Quartz breccia cement with arsenopyrite, pyrite and pyrrhotite, and
- Alteration haloes containing arsenopyrite, pyrite and pyrrhotite.

The mineralized zones at the Chimo mine are linked to a geophysical signature consisting of chargeability (in IP), good conductivity (EM) and weak magnetism. However, 3 of the mineralized zones are located in magnetic highs generated by magnetite iron formations. The authors have not verified the Chimo production information.

INTERPRETATIONS AND CONCLUSIONS

Interpretations

The Lac Matchi Property is located within a favorable environment for gold and VMS-style base metal deposits. The presence of the large Pershing-Manitou batholith in the north of the property, in addition to the two large deformation zones that cut through the claims, create prime conditions for the formation of various types of precious and base metal deposits. Historical mapping and prospecting programs show that the rocks on the Property have been subjected to considerable hydrothermal activity.

The Lac Matchi Property has several of the main ingredients for anomalous metal values; Intermediate to felsic volcanic rocks, a large-scale intrusion and structure. Most of rocks on the property belong the Val-d'Or Formation, rocks that host the bulk of the gold showings and deposits of the Val-d'Or mining camp. The shear zones that cross the central and northern parts of the claim block have associated metal deposits, making them prime targets for exploration efforts. The soil sampling program returned highlight Ni values of 114, 196, 187, 195, 218, 183, 336 and 152ppm, all but two of which fall within a narrow corridor that parallels the contact of the Pershing-Manitou batholith in the north-east portion of the property. Large-scale intrusives like the Pershing-Manitou batholith promote the circulation of mineralized fluids along their margins and their contacts or fractures along the contact are often the site of deposits. The identification of several magnetic anomalies could signal the potential for metallic or polymetallic deposits on the property, given that these bodies have been interpreted as possible mafic or ultramafic layers. Nickel in the near-surface is most commonly associated with ultramafic or mafic rocks. The presence of numerous Ni values along the batholith's contact, adjacent to magnetic anomalies, indicates good potential for mineralization on the Lac Matchi property.

Conclusions

The objective of this technical report is to assess the potential for the Lac Matchi Property to host lode gold or VMS-style mineralization. The Lac Matchi Property overlies lithological and structural environments that have been shown to host VMS and lode gold style deposits within the region and the Abitibi greenstone belt. Historical work on these claims is limited and most of the available data is quite outdated. Exploration work completed in 2017 discovered several anomalous soil values and outlined multiple magnetic anomalies. While the soil anomalies show considerable scatter, making interpretation difficult, they do suggest the possibility of mineralization on the Property and should be followed up. In the authors' opinion, additional work needs to be completed in order the fully assess the mineral potential on the Property.

RECOMMENDATIONS

While the claims of the Lac Matchi Property have been relatively underexplored, the limited historical and current exploration data indicate the presence of several favourable target areas that merit additional work. Future exploration work should focus on acquiring data for the unexplored parts of the Property in the north and west while augmenting existing data acquired during the 2017 program. The north-east corner of the Lac Matchi Property overlying the Pershing-Manitou batholith is also worth examining based on the potential for mineralization within that lithology and/or along its contact.

A single-phase exploration program is proposed to confirm existing targets and identify new ones. Work would consist of additional soil sampling and ground mag, coupled with mapping and prospecting. It would be best to complete these programs in summer or fall to access as much of the Property as possible.

The ground mag survey lines completed in 2017 were widely spaced. Lines with narrower spacing would increase the reliability of interpretations. Since several of the magnetic anomalies identified in Mr. Hubert's interpretation align with magnetic features from the historical airborne geophysical data, it is recommended that a ground magnetics survey be completed on 100m line spacing to supplement the existing ground mag data. Completing the entire property at this spacing would equate to approximately 36 line-km. This survey would take approximately 24 days to complete.

Soil sampling should be conducted to tighten line and sample spacing over the entire Property to ensure no potentially mineralized areas were missed by the initial, widely-spaced survey. Line spacing should be reduced from 200m to 100m with samples taken at 200m stations along each line. This soil sampling program would allow for proper contouring of metal-in-soil values. Reliable contouring of soil assay data could help identify key exploration targets moving forward, particularly when used in conjunction with other data sets such as Mag. The soil sampling program would take 10 days with one crew on the soil auger.

To augment the QA/QC procedures employed by the lab, it is recommended that the Issuer initiate its own QA/QC procedures moving forward, primarily by inserting blanks and standards into their sample stream before submitting them to the lab. This will allow the company to verify the lab results independently.

Proposed Budget

The data collected during the 2017 exploration program (magnetometer survey and soil samples) would not be duplicated during the proposed program. The geophysics and soil sampling would take approximately 24 days to complete. The budget below is based on the costs incurred during the 2017 program at Lac Matchi.

BUDGET – Phase 1

Project Preparation				$4,000
Mobe/Demobe (including transportation and wages)				$6,750
Consumables and Supplies				$1,500
Field Crew:	Rate	Days	Totals	
Project Geologist	700	24	16,800	
Field Geologist (x1)	450	24	10,800	$27,600
Field Costs:				
Transportation[1]	225	24	5,400	
Lodging and Meals	350	24	8,400	$13,800

Assays and Analyses:	Rate	Units		
Soil sample Assays	30	415	12,450	$12,450
Contracts:	Rate	Units		
Ground Mag Survey[2,3]	500	36	18,000	
Geophysical Interpretation			5,000	
Soil Sampling[4]	1,200	10	12,000	
Technical Report			6,000	$ 41,000
Total				$107,100
Contingency Fund (15%)				$ 16,065
			Grand Total:	$123,165

[1] Transportation costs cover pick-up truck rentals, quad/snowmobile rentals and fuel.
[2]The Ground Magnetometer Survey cost includes mobilization and demobilization.
[3]The Ground Magnetometer Survey cost includes the rental of the Magnetometer.
[4]The cost of the soil sampling has been updated to reflect the need for the backpack drills to collect samples. The soil auger ($1,200/day all-in) would be used to collect the samples over 10 days.

All numbers in the budget above are quoted in Canadian dollars ($CAD). The work would take approximately 24 days to complete and the estimated cost for the program is $123,165. Crews would be based out of the Pourvoirie Villebon located on Lac Villebon.

Asset Backed Securities Outstanding

There are no asset backed securities outstanding.

USE OF AVAILABLE FUNDS

Proceeds

This is a non-offering Prospectus. The Issuer is not raising any funds in conjunction with this Prospectus and, accordingly, there are no proceeds.

Total Available Funds

Zenith has working capital of approximately $432,484 as of July 31, 2018.

Principal Purposes

The funds available will be used for the purposes listed below:

Complete Phase 1 work program on Lac Matchi Property[(1)]	$123,165
Estimated general and administrative expenses for 12 months	$94,500
Prospectus costs and Exchange listing fees and	$30,000

expenses	
Repayment of outstanding loans	$10,841
Option payment due at 6 months under the Lac Matchi Agreement	$10,000
Unallocated Working Capital to fund ongoing operations	$163,978
TOTAL	$432,484

Notes:
(1) See "Property Description and Location – Exploration and Development"
(2) Please see the table below for a description of the estimated administrative costs of the Issuer for the next 12-month period.

The Issuer expects to incur approximately $94,500 in general and administrative costs on an annual basis to cover the expenses of operating as a public Issuer over the next 12 months. A breakdown of the estimated general and administrative costs for that period is as follows:

	Monthly Expenditure ($)	*Annual Expenditure ($)*
Audit and accounting expenses	2,125	25,500
Legal expenses	300	3,600
Management fees	4,000	48,000
Regulatory and filing fees	650	7,800
Office expenses	500	6,000
Transfer agent	300	3,600
TOTAL	7,875	94,500

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

Over the next twelve months, payments will be made to related parties as follows:

• Brent Hahn, Chief Executive Officer and a Director of the Issuer will receive management fees of $24,000.

• Barry Hartley, Chief Financial Officer and a Director of the Issuer will receive management fees of $24,000.

Other than the fees set forth above, the Issuer has no plans to provide fees or salaries to any of its named directors and officers over the next 12 months.

Total Other Funds Available

There are no other funds available to the Issuer, other than as set out above.

Unallocated Funds in Trust or in Escrow

There are no unallocated funds in trust or in escrow.

Negative Operating Cash Flow

Since inception, the Issuer has had negative operating cash flow and incurred losses. The Issuer's negative operating cash flow and losses are expected to continue for the foreseeable future. The Issuer cannot predict when it will reach positive operating cash flow, if ever. Due to the expected continuation of negative operating cash flow, the Issuer will be reliant on future financings in order to meet its cash needs. There is no assurance that such future financings will be available on acceptable terms or at all. See "Risk Factors".

Business Objectives and Milestones

The business objectives the Issuer expects to achieve using the available funds are to: (i) obtain a listing of the Common Shares on the Exchange; and (ii) complete Phase 1 of the exploration program recommended in the Technical Report. The Issuer expects to commence Phase 1 following listing; the Issuer believes it will take less than 12 months to complete Phase 1 and analyze the results. If the results dictate further exploration, subject to obtaining additional financing the Issuer expects to proceed with a Phase 2 program based on the Phase 1 results. ***The Issuer will require funding from other sources to continue operations beyond the next year. Such additional funds would likely be raised through a private placement of securities. There is no assurance that such funding will be available***.

DIVIDENDS

The Issuer has neither declared, nor paid, dividends since its incorporation Issuer and it does not foresee paying dividends in the near future. Any future payment of dividends will depend on factors which the Issuer's Board, in its sole discretion, may consider appropriate and in the best interests of the Issuer.

Under the BCBCA, the Issuer is prohibited from declaring or paying dividends if there are reasonable grounds for believing that the Issuer is insolvent or the payment of dividends would render it insolvent.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table sets forth summary financial information of the Corporation from the audited financial statements for the years ended July 31, 2016 and July 31, 2017. This summary financial information should only be read in conjunction with the Corporation's financial statements, including the notes thereto, included elsewhere in this Prospectus.

All of the information presented in the management's discussion and analysis is based on the annual financial statements, which were prepared in accordance with IFRS. All amounts included in the management's discussion and analysis are expressed in Canadian dollars, unless otherwise indicated.

Selected Financial Information

Continuing operations	*Nine months Ended April 30, 2018 ($)*	*Year ended July 31, 2017 (Audited) ($)*	*Year ended July 31, 2016 (Audited) ($)*
Revenue	-	-	-
General and administrative expenses	(47,284)	(5,970)	(10,682)
Net loss	(46,560)	(5,970)	(10,682)

Basic and diluted loss per share	(0.00)[(3)]	(0.02)[(1)]	(0.04)[(2)]

Notes:

(1) Based on the weighted average of 396,601 common shares issued and outstanding for the year ended July 31, 2017.
(2) Based on the weighted average of 299,895 common shares issued and outstanding for the year ended July 31, 2016.
(3) Based on the weighted average of 13,456,436 common shares issued and outstanding for the nine months ended April 30, 2018.

Statement of Financial Position

	As at April 30, 2018 ($)	*As at July 31, 2017 (Audited) ($)*	*As at July 31, 2016 (Audited) ($)*
Assets,			
Current assets	457,000	130	-
Exploration and evaluation assets	332,571	-	-
Total assets	789,571	130	-
Liabilities			
Current Liabilities	20,365	6,357	2,750
Loans Payable	10,841	2,493	-
Shareholders' Equity	758,365	(8,720)	(2,750)
Total Liabilities and Shareholders' Equity	789,571	130	-

Overview

Management's discussion and analysis and interim financial statements for the nine months ended April 30, 2018 and the years ended July 31, 2017 and 2016 are included in Schedule B to this Prospectus and should be read in conjunction with the audited annual financial statements of the Issuer and the related notes thereto included in this Prospectus and to which the management's discussion and analysis relates.

All of the information presented in the management's discussion and analysis is based on the annual financial statements, which were prepared in accordance with IFRS. All amounts included in the management's discussion and analysis are expressed in Canadian dollars, unless otherwise indicated.

Certain information included in the Corporation's Management's Discussion and Analysis is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "Cautionary Statement Regarding Forward-Looking Statements" for further detail.

DESCRIPTION OF SECURITIES

Disclosure of Outstanding Security Data

The Issuer has one class of shares outstanding, being Common Shares. The authorized capital of the Issuer consists of an unlimited number of common shares. Each common share is equal to every other common share with respect to all rights and restrictions.

As of the date of this Prospectus, 24,511,601 Common Shares were issued and outstanding. See "*Description of the Securities Distributed*".

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Issuer and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Issuer. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Issuer, are entitled to receive such dividends in any financial year as the Board of Directors of the Issuer may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Issuer, 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 Issuer, the remaining property and assets of the Issuer. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

CONSOLIDATED CAPITALIZATION

As of the Issuer's most recently completed financial period ended April 30, 2018; the Issuer had 24,511,601 common shares issued and outstanding.

The following table sets forth the share and loan capital of the Issuer as at the dates shown below. The table should be read in conjunction with, and is qualified in its entirety by, the Issuer's audited financial statements as at and for the years ended July 31, 2017 and 2016.

	As at July 31, 2017 (Audited) ($)	*As at April 30, 2018 ($)*	*Outstanding as at the date of this* Prospectus *($)*
Common shares	$7,932	$821,577	$821,577
	(396,601 common shares)	(24,511,601 common shares)	(24,511,601 common shares)
Options	-	-	-
Warrants	-	-	
Long term liabilities	-	-	-

OPTIONS TO PURCHASE SECURITIES

The Directors of the Issuer adopted a stock option plan on February 17, 2018 (the "Stock Option Plan"). The purpose of the Stock Option Plan is to advance the interests of the Issuer by encouraging the directors, officers, employees, management Issuer employees and consultants of the Issuer, and of its subsidiaries and affiliates, if any, to acquire Common Shares in the share capital of the Issuer, thereby increasing their proprietary interest in the Issuer, encouraging them to remain associated with the Issuer and furnishing them with additional incentive in their efforts on behalf of the Issuer in the conduct of its affairs. The Stock Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance will be 10% of the number of the Issuer's Common Shares issued and outstanding at the time such options are granted.

The Stock Option Plan will be administered by the Issuer's Board of Directors, which will have full and final authority with respect to the granting of all options thereunder. The continuation of the Stock Option Plan requires annual shareholder approval by ordinary resolution at each annual meeting of the Issuer.

Eligible Optionees

To be eligible to receive a grant of Options under the Stock Option Plan, regulatory authorities require an Optionee to be either a director, officer, employee, consultant or an employee of a Issuer providing management or other services to the Issuer or a subsidiary at the time the Option is granted.

Options may be granted only to an individual eligible, or to a non-individual that is wholly-owned by individuals eligible, for an Option grant. If the Option is granted to a non-individual, it will not permit any transfer of its securities, nor issue further securities, to any individual or other entity as long as the Option remains in effect.

Restrictions

The Stock Option Plan is a 10% rolling plan and the total number of Common Shares issuable upon exercise of Options under the Stock Option Plan cannot exceed 10% of the Issuer's issued and outstanding Common Shares on the date on which an Option is granted, less Common Shares reserved for issuance on exercise of Options then outstanding under the Stock Option Plan. The Stock Option Plan is also subject to the following restrictions:

(a) The Issuer must not grant an Option to a director, employee, consultant, or consultant Issuer (the "Service Provider") in any 12-month period that exceeds 5% of the outstanding Common Shares of the Issuer, unless the Issuer has obtained approval by a majority of the votes cast by all shareholders of the Issuer at the shareholders' meeting excluding votes attached to Common Shares beneficially owned by Insiders of the Issuer and their Associates ("Disinterested Shareholder Approval").

(b) The aggregate number of Options granted to a Service Provider conducting investor relations activities in any 12-month period must not exceed 1% of the outstanding Common Shares calculated at the date of the grant, without prior regulatory approval.

(c) The Issuer must not grant an Option to a Consultant in any 12-month period that exceeds 1% of the outstanding Common Shares calculated at the date of the grant of the Option.

(d) The aggregate number of Common Shares reserved for issuance under Options granted to Insiders must not exceed 10% of the outstanding Common Shares (if the Stock Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares) unless the Issuer has obtained Disinterested Shareholder Approval to do so.

(e) The number of Common Shares issued to Insiders upon exercise of Options in any 12-month period must not exceed 10% of the outstanding Common Shares (if the Stock Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares) unless the Issuer has obtained Disinterested Shareholder Approval to do so.

(f) The issuance to any one Optionee within a 12-month period of a number of Common Shares must not exceed 5% of outstanding Common Shares unless the Issuer has obtained Disinterested Shareholder Approval to do so.

(g) The exercise price of an Option previously granted to an Insider must not be reduced, unless the Issuer has obtained Disinterested Shareholder Approval to do so.

(h) The Issuer may implement such procedures and conditions as the Board deems appropriate with respect to withholding and remitting taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law.

Material Terms of the Plan

The following is a summary of the material terms of the Stock Option Plan:

(a) persons who are Service Providers to the Issuer or its Affiliates, or who are providing services to the Issuer or its Affiliates, are eligible to receive grants of Options under the Stock Option Plan;

(b) all Options granted under the Stock Option Plan expire on a date not later than 10 years after the issuance of such Options. However, should the expiry date for an Option fall within a trading Blackout Period (as defined in the Stock Option Plan, generally meaning circumstances where sensitive negotiations or other like information is not yet public), within 9 business days following the expiration of a Blackout Period;

(c) for Options granted to Service Providers, the Issuer must ensure that the proposed Optionee is a bona fide Service Provider of the Issuer or its Affiliates;

(d) an Option granted to any Service Provider will expire within 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Issuer, but only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Issuer;

(e) if an Optionee dies, any vested Option held by him or her at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;

(f) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;

(g) the exercise price of each Option will be set by the Board on the effective date of the Option and will not be less than the Discounted Market Price (as defined in the Stock Option Plan);

(h) vesting of Options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Issuer or its Affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Issuer or its Affiliates during the vesting period; or (ii) the Service Provider remaining as a director of the Issuer or its Affiliates during the vesting period;

(i) in the event of a take-over bid being made to the shareholders generally, immediately upon receipt of the notice of the take-over bid, the Issuer shall notify each Optionee currently holding any Options, of the full particulars of the take-over bid, and all outstanding Options may, notwithstanding the vesting terms contained in the Stock Option Plan or any vesting requirements subject to regulatory approval; and

(j) the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Stock Option Plan with respect to all Common Shares reserved under the Stock Option Plan in respect of Options which have not yet been granted.

Under the Stock Option Plan, the Board may do the following, without obtaining shareholder approval:

(a) amend the Stock Option Plan to correct typographical, grammatical or clerical errors;

(b) change the vesting provisions of an Option granted under the Stock Option Plan, if applicable;

(c) change the termination provision of an Option granted under the Stock Option Plan if it does not entail an extension beyond the original expiry date of such Option;

(d) make such amendments to the Stock Option Plan as are necessary or desirable to reflect changes to securities laws applicable to the Issuer;

(e) make such amendments as may otherwise be permitted by regulatory authorities;

(f) if the Issuer becomes listed or quoted on a stock exchange or stock market senior to the CSE, make such amendments as may be required by the policies of such senior stock exchange or stock market; and

(g) amend the Stock Option Plan to reduce the benefits that may be granted to Service Providers.

Options Granted

As of the date hereof, the Issuer has not granted any options under the Stock Option Plan.

PRIOR SALES

Since inception on June 19, 2015, the Issuer has completed the following distributions of its securities:

Date	*Price per Security ($)*	*Number and Type of Security*	*Reason for Issuance*
June 19, 2015	0.01	1 Common share	Incorporator's common share
October 29, 2015	0.01	396,600 Common shares	Plan of arrangement
December 4, 2017	0.005	4,000,000 Common shares	Non-brokered private placement
December 4, 2017	0.02	15,000,0000 Common shares	Property acquisition
December 5, 2017	0.05	300,000 Common shares	Non-brokered private placement

January 31, 2018	0.10	4,815,000 Common shares	Private placement

(a) On June 19, 2015, the Issuer issued one Common Share at a price of $0.01 per share.
b) On October 29, 2015, the Issuer issued 396,600 Common Shares pursuant to the Plan of Arrangement with Kidani Partners Inc. as previously described.
(c) On December 4, 2017, the Issuer issued 4,000,000 Common Shares at a price of $0.005 per share for total proceeds of $20,000. All of these shares will be escrowed in accordance with the terms of the Escrow Agreement.
(d) On December 4, 2017, the Issuer issued 15,000,000 Common Shares at a price of $0.02 per share for total of $300,000 in connection with the acquisition of the Scotch Creek Property.
(e) On December 5, 2017, the Issuer issued 300,000 Common Shares at a price of $0.05 per share for total proceeds of $15,000.
(f) On January 31, 2018, the Issuer issued 4,815,000 common shares at a price of $0.10 per share for total proceeds of $481,500. All shares are subject to a hold period of 4 months plus a day.

Trading Price and Volume

The Common Shares are not currently listed for trading on any stock exchange.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Escrow under CSE Policies

In accordance with the CSE Policies and NP 46-201 all Common Shares held by a Related Person as of the Listing Date are subject to escrow restrictions. Under the CSE Policies, the Related Persons of the Issuer are its directors and officers, the Issuer's promoter, and any person that beneficially owns, either directly or indirectly, or exercises voting control or direction over at least 10% of the total Common Shares.

The CSE Policies require that the Escrow Securities be governed by the form of escrow prescribed by NP 46-201.

Pursuant to the Escrow Agreement, among the Issuer, the Escrow Agent, and the directors, officers and insiders of the Issuer, the Escrow Securities will be released in accordance with the following release schedule:

Once the Issuer files financial statements with the Principal Regulator that show the Issuer has expended at least $120,00 in exploration expenses (the “First Release Date”)	1/10 of the Escrow Securities
6 months after the Listing Date	1/6 of the remaining Escrow Securities
12 months after the Listing Date	1/5 of the remaining Escrow Securities
18 months after the Listing Date	1/4 of the remaining Escrow Securities
24 months after the Listing Date	1/3 of the remaining Escrow Securities
30 months after the Listing Date	1/2 of the remaining Escrow Securities
36 months after the Listing Date	the remaining Escrow Securities

Assuming there are no changes to the Escrow Securities initially deposited and no additional Escrow Securities are deposited, this will result in a 10% release on the First Release Date, with the remaining Escrow Securities being released in 15% tranches every 6 months thereafter.

All the Escrow Securities are subject to the direction and determination of the CSE. Specifically, the Escrow Securities may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the consent of the CSE.

The following sets forth particulars of the Escrow Securities that will be subject to escrow under the Escrow Agreement on the First Release.

Name and Municipality of Residence	*Number of Common Shares held in Escrow*	*Percentage of Outstanding Common Shares held in Escrow*
Barry Hartley *North Vancouver, B.C.*	9,500,000	38.76%
Brent Hahn *North Vancouver, B.C.*	9,500,000	38.76%
Jesse Hahn *North Vancouver, B.C.*	90,000	0.37%
TOTAL	19,090,000(1)	77.89%

Note:

(1) On the basis of 24,511,601 issued and outstanding Common Shares as of the date of this Prospectus.

Under NP 46-201, a "principal" is: (a) a person who has acted as a promoter of the Issuer within two years of the date of this Prospectus; (b) a director or senior officer of the Issuer at the time of this Prospectus; (c) a person 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; and (d) a person that: (i) 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 (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Issuer. A principal's spouse and their relatives that live at the same address as the principal will be deemed principals and any securities of the Issuer held by such a person will be subject to the escrow requirements.

The automatic time release provisions under NP 46-201 pertaining to "established issuers" provide that 25% of each principal's escrowed securities are released on the listing date, with an additional 25% being released in equal tranches at six-month intervals over 18 months.

If, within 18 months of the listing date, the Issuer meets the "established issuer" criteria, as set out in NP 46-201, the Escrowed Securities will be eligible for accelerated release according to the criteria for established issuers. In such a scenario that number of Escrowed Securities that would have been eligible for release from escrow if the Issuer had been an "established issuer" on the listing date will be immediately released from escrow. The remaining Escrowed Securities would be released in accordance with the time release provisions for established issuers, with all escrow securities being released 18 months from the listing date.

Under the terms of the Escrow Agreement, Escrowed Securities cannot be transferred by the holder unless permitted under the Escrow Agreement. Notwithstanding this restriction on transfer, a holder of Escrowed Securities may (a) pledge, mortgage or charge the Escrowed Securities to a financial institution as collateral for a loan provided that no Escrow Securities will be delivered by the escrow agent to the financial institution; (b) exercise any voting rights attached to the Escrow Securities; (c) receive dividends or other distributions on the Escrow Securities; and (d) exercise any rights to exchange or convert the Escrow Securities in accordance with the Escrow Agreement.

The Escrowed Securities may be transferred within escrow to: (a) subject to approval of the Issuer's Board of Directors, an individual who is an existing or newly appointed director or senior officer of the Issuer or of a material operating subsidiary of the Issuer; (b) subject to the approval of the Issuer's Board of Directors, a person that before the proposed transfer holds more than 20% of the voting rights attached to the Issuer's outstanding securities; (c) subject to the approval of the Issuer's Board of Directors, a person that after the proposed transfer will hold more than 10% of the voting rights attached to the Issuer's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Issuer or any of its material operating subsidiaries; (d) upon the bankruptcy of a holder of escrowed securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities; (e) upon the death of a holder of escrowed securities, all securities of the deceased holder will be released from escrow to the deceased holder's legal representative; (f) a financial institution that the holder pledged, mortgaged or charges to a financial institution as collateral for a loan on realization of such loan; and (g) a registered retirement savings plan ("RRSP"), registered retirement income fund ("RRIF") or similar registered plan or fund with a trustee, where the annuitant of the RRSP or RRIF, or the beneficiaries of another plan or fund are limited to the holders spouse, children or parents, or if the holder is the trustee of such registered plan or fund, to the annuitant of the RRSP or RRIF, or a beneficiary of the other registered plan or fund or his or her spouse, children or parents.

In addition, tenders of Escrowed Securities pursuant to a business combination, which includes a take-over bid, issuer bid, statutory arrangement, amalgamation, merger or other reorganization similar to an amalgamation or merger, are permitted. Escrowed Securities subject to a business combination will continue to be escrowed if the successor entity is not an "exempt issuer", the holder is a principal of the successor entity; and the holder holds more than 1% of the voting rights of the successor entities' outstanding securities.

Under the terms of the Escrow Agreement, 10% of each escrowed shareholder's shares (a total of 1,909,000 Common Shares) will be released from escrow on the First Release Date. The remaining 17,181,000 Common Shares will be held in escrow and released pursuant to the aforementioned schedule. All securities will be held in escrow following the listing date and up until the completion of the required exploration expenditures..

PRINCIPAL SHAREHOLDERS

As at the date of this Prospectus, 24,511,601 Common Shares were issued and outstanding. The following table lists the persons who own or will own, directly or indirectly, 10% or more of the issued and outstanding Common Shares:

Name	*Type of Ownership*	*Number of Common Shares held in Escrow*	*Percentage of Outstanding Common Shares held in Escrow*
Barry Hartley	Direct	9,500,000	38.76%
Brent Hahn	Direct	9,500,000	38.76%
TOTAL		19,000,000	77.52%

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth, for each of the Directors and executive officers of the Issuer, the name, municipality of residence, age, principal occupation, position held with the Issuer and the date on which the person became a Director.

Name, Position with Issuer, Province and Country of Residence	*Date of Appointment to Office*	*Principal Occupation for the Past Five Years*	*Number of Common Shares held*	*Percentage of Outstanding Common Shares*
Barry Hartley *North Vancouver, B.C.* *CFO, Corporate Secretary and Director*	July 21, 2017	Partner at DMCL Chartered Accountants	9,500,000(2)	38.76%(3)
Brent Hahn(1) *North Vancouver, B.C.* *President, CEO and Director*	July 21, 2017	Businessman	9,500,000(2)	38.76%(3)
Jesse Hahn(1) *North Vancouver, B.C.* *Director*	July 21,2017	Professional Agrologist	90,000(2)	0.37%(3)
Jim McCrea(1) Surrey, B.C. Director	April 18, 2018	Professional Geologist	NIL	NIL
TOTAL			19,090,000(2)	77.89%

Notes:
(1) Audit Committee Member.
(2) These Common Shares are subject to escrow.
(3) On the basis of 24,511,601 issued and outstanding Common Shares as of the date of this Prospectus.

Aggregate Ownership of Securities

As of the date of this Prospectus, the directors and executive officers of the Issuer, as a group, beneficially own, directly or indirectly, 19,090,000 Common Shares representing approximately 77.89% of the issued and outstanding Common Shares.

Term of Office

The Directors are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are duly elected or appointed in accordance with the Issuer's Articles or until such director's earlier death, resignation or removal.

Biographical Information and Management of Junior Issuers

A description of the principal occupation for the past five years and summary of the experience of the directors and officers of the Issuer is as follows:

Brent Hahn- *Age 59, President, Chief Executive Officer and Director*
Since 1979, Mr. Hahn has been an entrepreneur building businesses from the ground up. From the oil patch, construction and automotive industries, he has built and sold a number of successful businesses. He has been involved in the development of several mining and exploration projects. Mr. Hahn has held positions as Chief Executive Officer and director for numerous companies in the past. At present, Mr. Hahn is President/CEO of Sennen Potash Issuer (TSX.V-SN) and Director of Remington Resource Inc. (TSX.V-RGM).

Barry Hartley – *Age 49, Chief Financial Officer, Secretary and Director*
Mr. Hartley is a partner with Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants. Mr. Hartley has held numerous positions as CFO, Director and President with listed companies. At present, Mr. Hartley is CFO and Director for Sennen Postash Corp. (TSX.V-SN).

Jesse Hahn- *Age 34, Director*
Mr. Hahn holds a BSc in Environmental Science with a focus on Environmental Economics & Policy. He brings over a decade of experience in agrology, waste management, reclamation and business development in emerging technology industries. He is a Professional Agrologist in good standing with the Alberta Institute of Agrologists. Mr. Hahn currently holds a position as Director of Sennen Potash Issuer (TSX.V-SN) and Remington Resource Inc. (TSX.V-RGM).

Jim McCrea – *Age 57, Director*
Mr. McCrea has over 30 years of experience in exploration and mining geology, and more than 20 years of experience in mineral resource estimation. His experience was gained through working for junior mining/exploration companies and engineering companies SRK and Snowden. Mr.McCrea's expertise ranges from technical review and due diligence to resource estimation and feasibility studies. He has experience in a range of commodities, but primarily gold, silver and copper, in a variety of geographic settings around the world with particular focus on North and South America. Mr. McCrea performed ore body modelling and resource estimation for the successfully targeted take over company Cumberland Resources Ltd. by Agnico-Eagle Mines Ltd., and more recently, he completed a mineral resource estimation underpinning of the purchase of Duran Ventures' Aguila porphyry by Peñoles and recent work for companies such as Minera San Cristóbal S.A. of Bolivia, Arena Minerals Inc. and Montan Mining Corp.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

To the best of the Issuer's knowledge, none of the directors or executive officers of the Issuer, except as described below, is or within the 10 years before the date of this Prospectus has been, a director or executive officer of any Issuer that:

(a) was subject to a cease trade order or similar order or an order that denied the Issuer access to any statutory exemptions for a period of more than 30 consecutive days (an "Order"), which was issued while the proposed director or executive officer was acting in the capacity as director, CEO or CFO; or

(b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

On July 21, 2017, all three directors, that being Barry Hartley, Brent Hahn and Jesse Hahn became directors of and are currently directors of MJ BioScience Corp., a reporting issuer in British Columbia, Alberta and Ontario. On March 8, 2016, the Company was issued a cease trade order for failure to file audited financial statements for the year ended October 31, 2015. The Board is currently working on bringing the Company back to good standing and seeking a revocation of the cease trade orders issued by the respective securities commissions.

Bankruptcies

To the best of the Issuer's knowledge, no director or executive officer of the Issuer, or a shareholder holding a sufficient number of Common Shares to affect materially the control of the Issuer:

> (a) is, as at the date of this Prospectus, or has been within the 10 years before the date of this Prospectus, a director or executive officer of any Issuer (including the Issuer) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
>
> (b) has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

To the best of the Issuer's knowledge, no director or executive officer of the Issuer, or a shareholder holding a sufficient number of Common Shares to affect materially the control of the Issuer, has been subject to:

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

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

Conflicts of Interest

The directors of the Issuer are required by law to act honestly and in good faith with a view to the best interests of the Issuer and to disclose any interests, which they may have in any project or opportunity of the Issuer. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA.

To the best of the Issuer's knowledge, there are no known existing or potential conflicts of interest between the Issuer and its directors and officers except that certain of the directors and officers may serve as directors and/or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Issuer and their duties as a director or officer of such other companies.

The information as to ownership of securities of the Issuer, corporate cease trade orders or bankruptcies, penalties or sanctions, personal bankruptcies or insolvencies and existing or potential conflicts of interest has been provided by each insider of the Issuer individually in respect of himself or herself.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Issuer does not have a formal compensation program. The Board meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. The general objectives of the Issuer's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; (c) provide a compensation package that is commensurate with other mining companies to enable the Issuer to attract and retain talent; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Issuer is under by virtue of the fact that it is a mining Issuer without a history of earnings.

The Board, as a whole, ensures that total compensation paid to all Named Executive Officers ("NEOs"), as hereinafter defined, is fair and reasonable. A "Named Executive Officer" ("NEO") includes: (i) the Issuer's CEO; (ii) the Issuer's CFO; (iii) each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers as at the end of the most recently completed financial year of July 31, 2017, and whose total compensation was more than $150,000; and (iv) any additional individuals for whom disclosure would have been required except that the individual was not serving as an officer of the Issuer at the end of the most recently completed financial year. The Board relies on the experience of its members as officers and directors with other junior mining companies in assessing compensation levels.

Cash Salary

The Issuer's compensation payable to the Named Executive Officers is based upon, among other things, the responsibility, skills and experience required to carry out the functions of each position held by each Named Executive Officer and varies with the amount of time spent by each Named Executive Officer in carrying out his or her functions on behalf of the Issuer. Base salary is used to provide the NEOs a set amount of money during the year with the expectation that each NEO will perform his responsibilities to the best of his ability and in the best interests of the Issuer.

In particular the Chief Executive Officer's compensation will be determined by time spent on: (i) the Issuer's current mineral property; (ii) reviewing potential mineral properties that the Issuer may acquire and negotiating, on behalf of the Issuer; and (iii) new business ventures. The Chief Financial Officer's compensation is primarily determined by time spent in reviewing the Issuer's financial statements.

Long Term Compensation and Option-Based Awards

The Issuer has no long-term incentive plans other than its Stock Option Plan. The Issuer 's directors, officers, employees and certain consultants are entitled to participate in the Stock Option Plan. The Stock Option Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Stock Option Plan aligns the interests of the NEO and the Board with shareholders by linking a component of executive compensation to the longer-term performance of the Common Shares.

Options are granted by the Board. In monitoring or adjusting the Option allotments, the Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous Option grants and the objectives set for the NEOs and the Board.

The scale of Options is generally commensurate to the appropriate level of base compensation for each level of responsibility.

In addition to determining the number of Options to be granted pursuant to the methodology outlined above, the Board also makes the following determinations:

(a) parties who are entitled to participate in the Stock Option Plan;

(b) the exercise price for each Option granted, subject to the provision that the exercise price cannot be lower than the prescribed discount permitted by the CSE from the market price on the date of grant;

(c) the date on which each Option is granted;

(d) the vesting period, if any, for each Option;

(e) the other material terms and conditions of each Option grant; and

(f) any re-pricing or amendment to an Option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Stock Option Plan. The Board reviews and approves grants of Options on an annual basis and periodically during a financial year.

As of the date hereof, the Issuer has not granted any options.

Employment and Consulting Agreements

The Issuer has not entered into written employment or consulting agreements with its Chief Executive Officer and its Chief Financial Officer. The Issuer has agreed to pay its Chief Executive Officer a total of $2,000 per month and its Chief Financial Officer a total of $2,000 per month commencing after the completion of listing on the CSE.

Summary Compensation Table

The following information is presented in accordance with National Instrument Form 51-102F6V – Statement of Executive Compensation – Venture Issuers, for the Issuer's financial years ended July 31, 2017 and 2016.

Name	*Year*	*Salary*	*Share Based Awards ($)*	*Option Based Awards ($)*	*Non-Equity Incentive Plan Compensation ($)*	*Pension Value ($)*	*All Other Compensation ($)*	*Total Compensation ($)*
Barry Hartley Chief Financial Officer	2017	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	2016	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Brent Hahn Chief	2017	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Executive Officer							
	2016	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Incentive Plan Awards

The following table sets forth all outstanding share based and option-based awards to the Named Executive Officers as at the fiscal years ended July 31, 2016 and July 31, 2017.

	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 that have not vested yet ($)	Market or payout value of share-based awards that have not vested ($)
Barry Hartley Chief Financial Officer	2017	NIL	NIL	NIL	NIL	NIL
	2016	NIL	NIL	NIL	NIL	NIL
Brent Hahn Chief Executive Officer	2017	NIL	NIL	NIL	NIL	NIL
	2016	NIL	NIL	NIL	NIL	NIL

As of the date of this Prospectus, the Issuer has not granted any share based or option-based awards to the Named Executive Officers.

Director Compensation

The following table sets forth the compensation paid to the Issuer's Directors for the years ended July 31, 2016 and July 31, 2017.

Name	*Fees earned ($)*	*Shared-based awards ($)*	*Option-based awards ($)*	*Non-equity incentive plan compensation ($)*	*Pension Value ($)*	*All other compensation ($)*	*Total ($)*
Barry Hartley	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Brent Hahn	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Jesse Hahn	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Jim McCrea	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Compensation arrangements for Directors is determined by the Board on a case by case basis and negotiated between the Board and the Director to be compensated.

Termination and Change of Control Benefits

There are no management or consulting agreements with any directors or officers of the Issuer that provide for payments to an officer or director, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Issuer or a change in a director's or officer's responsibilities.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not as of the date of this Prospectus, nor has there been since the Issuer's inception, any indebtedness of any Director, executive officer, senior officer, employee or any former director, executive officer, employee or senior officer or any associate of any of them, to or guaranteed or supported by the Issuer either pursuant to an employee stock purchase program of the Issuer or otherwise, and no such individual is or has been indebted to any other entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit, or similar arrangement or understanding by the Issuer.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

Audit Committee Charter

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board of Directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

On October 29, 2015, the Board of Directors adopted a charter delineating the Audit Committee's responsibilities. The Audit Committee Charter is attached to this Prospectus as Schedule "A".

Composition of Audit Committee

The following persons are members of the Issuer's audit committee:

Name		
Jim McCrea	Independent	Financially literate
Brent Hahn	Not independent	Financially literate
Jesse Hahn	Independent	Financially literate

Relevant Education and Experience

All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance 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 Issuer's financial statements, and have an understanding of internal controls. The members of the Audit Committee intend to maintain their currency by periodically taking continuing education courses.

The education and experience of each Audit Committee member that is relevant to the performance of his/her responsibilities as an Audit Committee member is as follows:

Brent Hahn
Since 1979, Mr. Hahn has been an entrepreneur.From the oil patch, construction and automotive industries, he has built and sold a number of successful businesses. He has been involved in the development of several mining and exploration projects. Mr. Hahn has held positions as Chief Executive Officer and director for numerous companies in the past. At present, Mr. Hahn is President/CEO of Sennen Potash Issuer (TSX.V-SN) and Director of Remington Resource Inc. (TSX.V-RGM).

Jesse Hahn
Mr. Hahn holds a BSc in Environmental Science with a focus on Environmental Economics & Policy. He brings over a decade of experience in agrology, waste management, reclamation and business development in emerging technology industries. He is a Professional Agrologist in good standing with the Alberta Institute of Agrologists. Mr. Hahn currently holds a position as Director of Sennen Potash Issuer (TSX.V-SN) and Remington Resource Inc. (TSX.V-RGM).

Jim McCrea
Mr.McCrea is a Senior Resource Geologist and holds a B.Sc. in (Spec) Geology from the University of Alberta. Mr. McCrea has over 30 years of experience in exploration and mining geology, and more than 20 years of experience in mineral resource estimation. His extensive experience was gained through working for junior mining/exploration companies and engineering companies SRK and Snowden. Mr.McCrea's expertise ranges from technical review and due diligence to resource estimation and feasibility studies.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Issuer's most recently completed financial year has the Issuer relied on the following exemptions:

(a) the exemption in section 2.4 of National Instrument 52-110 (*De Minimis Non-audit Services*);
(b) the exemption in subsection 6.1.1(4) of National Instrument 52-110 (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
(c) the exemption in subsection 6.1.1(5) of National Instrument 52-110 (*Events Outside Control of Member*);
(d) the exemption in subsection 6.1.1(6) of National Instrument 52-110 (*Death, Incapacity or Resignation*); or
(e) an exemption from National Instrument 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110 (*Exemption*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. However, the Issuer's Audit Committee Charter states that Audit Committee must pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Issuer by the Auditor.

External Auditor Fees

The aggregate fees billed to the Issuer for the services provided by the external auditor for the fiscal years ended July 31, 2017 and 2016 are as follows:

Name	*Year ended July 31, 2017*	*Year ended July 31, 2016*
Audit fees	$2,000	$2,000
Audit-related fees	-	-
Tax fees	-	-
All other fees	-	-
Total	$2,000	$2,000

Exemption

The Issuer has relied upon the exemption provided by section 6.1 of NI 52-110, which exempts a venture issuer from the requirement to comply with *certain* restrictions on the composition of its Audit Committee.

Corporate Governance

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Issuer. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

The Issuer's corporate governance practices are summarized below:

Board of Directors

The Board of Directors is currently comprised of three members. The rules of the Exchange do not have independent director requirements. An "independent" director is a director who has no direct or indirect material relationship with the Issuer. A material relationship is a relationship, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director's independent judgment. Jim McCrea and Jesse Hahn are independent directors of the Issuer, as aside from Common Shares held by them they have no ongoing interest or relationship with the Issuer other than serving as directors. Brent Hahn is not an independent director because of his position as executive officer and President of the Issuer. Barry Hartley is not an independent director because of his position as chief financial officer of the Issuer.

Directorships

All directors are directors of other companies as follows:

Brent Hahn	Sennen Potash Issuer, Remington Resource Inc., MJ BioScience Corp.
Barry Hartley	Sennen Potash Issuer, MJ BioScience Corp.
Jesse Hahn	Sennen Potash Issuer, Remington Resource Inc., MJ BioScience Corp.
Jim McCrea	Remington Resources Inc., Juggernaut Exploration Ltd., Sennen Potash Corp.

Orientation and Continuing Education

The Board of Directors provides an overview of the Issuer's business activities; systems and business plan to all new directors. New director candidates have free access to any of the Issuer's records, employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, short, medium and long-term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Issuer. The Directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

Ethical Business Conduct

The Board of Directors believes good corporate governance is an integral component to the success of the Issuer and to meet responsibilities to shareholders. Generally, the Board of Directors has found that the fiduciary duties placed on individual directors by the Issuer'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 of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Issuer.

The Board of Directors is also responsible for applying governance principles and practices, and tracking development in corporate governance, and adapting "best practices" to suit the needs of the Issuer. Certain of the Directors of the Issuer may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance -with and are subject to such other procedures and remedies as applicable under the BCA.

Nomination of Directors

The Board of Directors has not formed a nominating committee or similar committee to assist the Board of Directors with the nomination of directors for the Issuer. The Board of Directors considers itself too small to warrant creation of such a committee; and each of the Directors has contacts he can draw upon to identify new members of the Board of Directors as needed from time to time.

The Board of Directors will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic direction of the Issuer. As required, directors will recommend suitable candidates for consideration as members of the Board of Directors.

Compensation

The Board of Directors reviews the compensation of its directors and executive officers annually. The Directors will determine compensation of directors and executive officers taking into account the Issuer's business ventures and the Issuer's financial position. See "Executive Compensation".

Other Board Committees

The Issuer has established an Audit Committee. There are no other committees of the Board of Directors

Assessments

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Issuer's small size and the Issuer's stage of development, the Board of Directors considers a formal assessment process to be inappropriate at this time. The Board of Directors plans to continue evaluating its own effectiveness on an ad hoc basis.

The Board of Directors does not formally assess the performance or contribution of individual Board members or committee members.

Listing of Common Shares on the Exchange

The Issuer has applied to list its Common Shares on the Exchange. As at the date of this Prospectus, the Company has received conditional listing approval. Listing of the Common Shares is subject to the Issuer fulfilling all the listing requirements of the Exchange.

As of the date of this Prospectus, the Issuer 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, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

RISK FACTORS

An investment in the Issuer is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Issuer. The Directors consider the following risks and other factors to be the most significant for potential investors in the Issuer, but the risks listed do not necessarily comprise all those associated with an investment in the Issuer and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Issuer's business.

If any of the following risks actually occur, the Issuer's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of the Common Shares could decline and investors may lose all or part of their investment.

Substantial Number of Authorized but Unissued Shares

The Issuer has an unlimited number of Common Shares that may be issued by the Board of Directors without further action or approval of the Issuer's shareholders. While the Board of Directors is required to fulfill its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Issuer's shareholders.

Dilution

The financial risk of the Issuer's future activities will be borne to a significant degree by purchasers of the Common Shares. If the Issuer issues Common Shares from its treasury for financing purposes, control of the Issuer may change and purchasers may suffer additional dilution.

No Market for Securities

There is currently no market through which any of the Common Shares, may be sold and there is no assurance that such securities of the Issuer will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a stock exchange, holders of the Common Shares may not be able to sell their Common Shares. Even if a listing is obtained, there can be no assurance that an active public market for the Common Shares will develop or be sustained after completion of the Offering. The offering price determined by negotiation between the Issuer and the Agent was based upon several factors and may bear no relationship to the price that will prevail in the public market. The holding of

Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Common Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Negative Cash Flow from Operating Activities

The Issuer has no history of earnings and had negative cash flow from operating activities since inception. The Lac Matchi Property and Scotch Creek Property are in the exploration stage and there are no known mineral resources or reserves and the proposed exploration program on the Lac Matchi Property is exploratory in nature. Significant capital investment will be required to achieve commercial production from the Issuer's existing projects. There is no assurance that the Lac Matchi Property or the Scotch Creek will generate earnings, operate profitably or provide a return on investment in the future. Accordingly, the Issuer will be required to obtain additional financing in order to meet its future cash commitments.

Current Market Volatility

The securities markets in the United States and Canada have recently 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 market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Issuer. The value of the Common Shares distributed hereunder will be affected by such volatility.

Use of Funds

The Issuer has prepared a detailed budget setting out the way in which it proposes to expend the funds. However, the quantum and timing of expenditure will necessarily be dependent upon receiving positive results from the Issuer's exploration activities on the Lac Matchi Property. As the Issuer conducts its exploration program, it is possible that results and circumstances may dictate a departure from the pre-existing budget. Further, the Issuer may, from time to time as opportunities arise, utilise part of its financial resources to participate in additional opportunities that arise and fit within the Issuer's broader objectives, as a means of advancing shareholder value.

No Production History

Neither the Lac Matchi Property nor the Scotch Creek Property are producing properties and its ultimate success will depend on its operating ability to generate cash flow from producing properties in the future. The Issuer has not generated any revenue to date and there is no assurance that it will do so in the future.

The Issuer's business operations are at an early stage of development and its success will be largely dependent upon the outcome of the exploration programs that the Issuer proposes to undertake.

Limited Operating History

The Issuer has no properties producing positive cash flow and its ultimate success will depend on its ability to generate cash flow from producing properties in the future. The Issuer has not earned profits to date and there is no assurance that it will do so in the future. Significant capital investment will be required to achieve commercial production from the Issuer’s existing projects. There is no assurance that the Issuer will be able to raise the required funds to continue these activities.

Exploration, Mining and Operational Risks

The business of exploring for and mining minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, the Lac Matchi Property and Scotch Creek Property do not have any known mineral resources or reserves and the proposed exploration and drilling programs are an exploratory search for such mineral resources or reserves.

The Issuer’s operations are subject to all the hazards and risks normally associated with the exploration, development and mining of minerals, any of which could result in risk to life, to property, or to the environment. The Issuer’s operations may be subject to disruptions caused by unusual or unexpected formations, formation pressures, fires, power failures and labour disputes, flooding, explosions, cave-ins, landslides, the inability to obtain suitable or adequate equipment, machinery, labour or adverse weather conditions. The availability of insurance for such hazards and risks is extremely limited or uneconomical at this time.

In the event the Issuer is fortunate enough to discover a mineral deposit, the economics of commercial production depend on many factors, including the cost of operations, the size and quality of the mineral deposit, proximity to infrastructure, financing costs and Government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting minerals and environmental protection. The effects of these factors cannot be accurately predicted, but any combination of these factors could adversely affect the economics of commencement or continuation of commercial mineral production.

Mining Claims

The Issuer’s prospecting activities are dependent upon the grant of appropriate mineral tenures and regulatory comments, which may be withdrawn or made subject to limitations. Mineral claims are renewable subject to certain expenditure requirements. Although the Issuer believes that it will obtain the necessary prospecting licenses and permits, including but not limited to drill permits, there can be no assurance that they will be granted or as to the terms of any such grant. Furthermore, the Issuer is required to expend required amounts on the mineral claims of the Lac Matchi Property in order to maintain them in good standing. If the Issuer is unable to expend these amounts, the Issuer may lose its title thereto on the expiry date(s) of the relevant mineral claims on the Lac Matchi Property. There is no assurance that, in the event of losing its title to mineral claims, the Issuer will be able to register the mineral claims in its name without a third party registering its interest first.

Land Claims

Aboriginal rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's recent decision in Tsilhqot'in Nation v. British Columbia marked the first time in Canadian history that a court has declared Aboriginal title to lands outside of a reserve. The Issuer is not aware of any Aboriginal land claims having been asserted or any legal actions relating to first nation issues having been instituted with respect to any of the land, which is covered by the Lac Matchi Property. The legal basis of a land claim is a matter of considerable legal complexity and the impact of a land claim settlement and self-government agreements cannot be predicted with certainty. In the event that aboriginal title is asserted and proved on the Lac Matchi Property, provincial and federal laws will continue to be valid provided that any infringements of aboriginal title, including mining and exploration are either consented to by Aboriginal groups or are justified. However, no assurance can be given that a broad recognition of aboriginal rights by way of a negotiated settlement or judicial pronouncement would not have an adverse effect on the Issuer's activities. Such impact could be marked and, in certain circumstances, could delay or even prevent the Issuer's exploration or mining activities.

Assurance of Title

The Issuer has taken all reasonable steps to attempt to ensure that proper title to the Lac Matchi Property has been obtained and that all grants of such rights thereunder, if any, have been registered with the appropriate public offices. Despite the due diligence conducted by the Issuer, there is no guarantee that title to such Lac Matchi Property will not be challenged or impugned. The Issuer's mineral property interests may be subject to prior unregistered agreements or transfers or aboriginal land claims and title may be affected by undetected defects.

Possible Loss of Interests in Lac Matchi Property

The Lac Matchi Option Agreement pursuant to which the Issuer acquired its interest in the Lac Matchi Property requires the Issuer to make a series of payments in cash and to issue Common Shares over certain time periods and expend certain minimum amounts on the exploration of the Lac Matchi Property. If the Issuer fails to make such payments or expenditures within the prescribed time periods, the Issuer may lose its interest in the Lac Matchi Property without any recourse.

Possible Failure to Obtain Mining Licenses

Even if the Issuer does complete the required exploration activities on the Lac Matchi Property, it may not be able to obtain the necessary licences or permits to conduct mining operations, and thus would realize no benefit from such exploration activities.

Competition

The Issuer competes with numerous other companies and individuals possessing greater financial resources and technical facilities than itself in the search for, and acquisition of, mineral claims, leases and other mineral interests, as well as the recruitment and retention of suitably qualified individuals.

Conflicts of Interest

All of the Issuer's directors and officers act as directors and/or officers of other mineral exploration companies. As such, the Issuer's directors and officers may be faced with conflicts of interests when evaluating alternative mineral exploration opportunities. In addition, the Issuer's directors and officers may prioritize the business affairs of another Issuer over the affairs of the Issuer.

Personnel

The Issuer has a small management team and the loss of any key individual could affect the Issuer's business. Additionally, the Issuer will be required to secure other personnel to facilitate its exploration program on the Lac Matchi Property. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Issuer.

Volatility of Commodity Prices

The market prices of commodities, including gold and silver, are volatile and are affected by numerous factors, which are beyond the Issuer's control. These factors include international supply and demand, consumer product demand, international economic trends, currency exchange rate fluctuations, interest rates, inflation, global or regional political events, as well as a range of other market forces. Sustained downward movements in commodity prices, including gold or silver, could render less economic, or uneconomic, some or all of the exploration activities to be undertaken by the Issuer.

Environmental Risks and Other Regulatory Requirements

Inherent with mining operations is an environmental risk. The current or future operations of the Issuer, including exploration and development activities on the Lac Matchi Property, require permits from various governmental authorities. Such operations are governed by laws and regulations that govern prospecting, mining, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, and other matters. There can be no assurance that all permits that the Issuer requires for future, exploration and development of mining facilities will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on the operations of the Issuer.

The legal framework governing this area is constantly developing, therefore the Issuer is unable to fully ascertain any future liability that may arise from the implementation of any new laws or regulations, although such laws and regulations are typically strict and may impose severe penalties (financial or otherwise). The proposed activities of the Issuer, as with any exploration, may have an environmental impact which may result in unbudgeted delays, damage, loss and other costs and obligations including, without limitation, rehabilitation and/or compensation. There is also a risk that the Issuer's operations and financial position may be adversely affected by the actions of environmental groups or any other group or person opposed in general to the Issuer's activities and, in particular, the proposed exploration and mining by the Issuer within the Province of Saskatchewan.

Uninsured Risks

The Issuer, as a participant in exploration and mining programs, may become subject to liability for hazards such as unusual geological or unexpected operating conditions that cannot be insured against or against which it may elect not to be so insured because of high premium costs or other reasons. The Issuer is currently uninsured against all such risks as such insurance is either unavailable or uneconomic at this time. The Issuer also currently has no key man insurance or property insurance as such insurance is uneconomical at this time. The Issuer will obtain such insurance once it is available and, in the opinion of the Directors, economical to do so. The Issuer may incur a liability to third parties (in excess of any insurance coverage) arising from pollution or other damage or injury.

The Issuer is not insured against most environmental risks. Insurance against environmental risks has not been generally available to companies within the mining and exploration industry. Without such insurance, and if the Issuer does become subject to environmental liabilities, the costs of such liabilities would reduce or eliminate the Issuer's available funds or could result in bankruptcy. Should the Issuer be unable to fully fund the remedial costs of an environmental problem, it may be required to enter into interim compliance measures pending completion of the required remedy.

Health and Safety Risks

A violation of health and safety laws, or the failure to comply with the instructions of relevant health and safety authorities, could lead to, among other things, a temporary cessation of activities on the Lac Matchi Property or any part thereof, a loss of the right to prospect for minerals, or the imposition of costly compliance procedures. This could have a material adverse effect on the Issuer's operations and/or financial condition.

Additional Requirements for Capital

Substantial additional financing will be required if the Issuer is to be successful in pursuing its ultimate strategy of discovering and extracting mineral resources. No assurances can be given that the Issuer will be able to raise the additional capital that it may require for its anticipated future operations. The Company currently only has sufficient funds for completion of the Phase 1 work program and will require additional financing to continue operations. Commodity prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures, operating expenses, geological results and the political environment are all factors which will have an impact on the amount of additional capital that may be required. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Issuer, if at all. If the Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, forfeit its interest in the Lac Matchi Property, incur financial penalties, or reduce or terminate its operations.

Smaller Companies

The share price of publicly traded smaller companies can be highly volatile. The value of the Common Shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the Common Shares.

Liquidity of the Common Shares

Listing on the Exchange should not be taken as implying that there will be a liquid market for the Common Shares. Thus, an investment in the Common Shares may be difficult to realise. Investors should be aware that the value of the Common Shares may be volatile. Investors may, on disposing of Common Shares, realise less than their original investment, or may lose their entire investment. The Common Shares, therefore, may not be suitable as a short-term investment.

The market price of the Common Shares may not reflect the underlying value of the Issuer's net assets. The price at which the Common Shares will be traded, and the price at which investors may realise their Common Shares, will be influenced by a large number of factors, some specific to the Issuer and its proposed operations, and some that may affect the sectors in which the Issuer operates. Such factors could include the performance of the Issuer's operations, large purchases or sales of the Common Shares, liquidity or the absence of liquidity in the Common Shares, legislative or regulatory changes relating to the business of the Issuer, and general market and economic conditions.

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Issuer, the risks noted above do not necessarily comprise all those potentially faced by the Issuer as it is impossible to foresee all possible risks.

Although the directors of the Issuer will seek to minimise the impact of the risk factors, an investment in the Issuer should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specialises in investments of this nature before making any decision to invest.

PROMOTERS

Brent Hahn, the Issuer's President, Chief Executive Officer and a director, took the initiative in the primary organization of the Issuer and accordingly is a promoter of the Issuer. Mr. Hahn owns 9,500,000 Common Shares of the Issuer, which is 38.78% of the Common Shares outstanding prior to giving effect to the Offering. See "Principal Shareholders", "Directors and Executive Officers" and "Executive Compensation".

Barry Hartley, the Issuer's Chief Financial Officer and a director, took the initiative in the primary organization of the Issuer and accordingly is a promoter of the Issuer. Mr. Hartley owns 9,500,000 Common Shares of the Issuer, which is 38.78% of the Common Shares outstanding prior to giving effect to the Offering. See "Principal Shareholders", "Directors and Executive Officers" and "Executive Compensation".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal or regulatory proceedings that the Issuer is or has been a party to, or that any of its property is or has been the subject of, and none are known to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the Directors or executive officers of the Issuer, and no associate or affiliate of the foregoing persons, has, or has had, any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or will materially affect the Issuer or any of its subsidiaries.

RELATIONSHIP BETWEEN ISSUER AND AGENT

The Issuer is not a "related issuer" or a "connected issuer" of or to an Agent (as such terms are defined in National Instrument 33-105 – *Underwriter Conflicts*). The Issuer did not raise any proceeds using an Agent.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Issuer are Adam Sung Kim Ltd., located at Unit #114B – 8988 Fraserton Court, Burnaby B.C. V5J 5H8.

The transfer agent and registrar for the Common Shares is National Issuer Services Ltd., located at Suite 760 - 777 Hornby Street, Vancouver, BC, V6Z 1S4.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts which have been entered into by the Issuer as of the date hereof or which will be entered into prior to the Closing of this Offering and which are regarded presently as material are:

1. Lac Matchi Property Agreement dated December 11, 2017 between the Issuer and Doctors Investment Group Ltd. See "Business of the Issuer".

2. Stock Option Plan adopted February 17, 2018. See "Description of the Securities Distributed".

3. Scotch Creek Purchase Agreement dated November 3, 2017, between the Issuer, Brent Hahn and Barry Hartley.

4. Escrow Agreement dated March 5, 2018 between National Issuer Services Ltd. Brent Hahn, Barry Hartley, Jesse Hahn and the Company.

EXPERTS

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

1. Abby Peterson, P. Geo. of Sudbury Ontario, is an independent consulting geologist and is a “qualified person” as defined in NI 43-101 and is the author responsible for the preparation of the Technical Report on the Lac Matchi Property.

2. Jean M. Hubert, Geophysicist and P. Eng. Of Quebec Quebec, is an independent consulting geophysicist and is a “qualified person” as defined in NI 43-101 and is the author responsible for the preparation of the Technical Report on the Lac Matchi Property, more specifically the geophysical data and interpretations.

3. The audited financial statements for the year ended July 31, 2017 included in this Prospectus have been subject to audit by Adam Sung Kim Ltd., and their audit report is included herein. Adam Sung Kim Ltd., is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

4. The audited financial statements for the year ended July 31, 2016 included in this Prospectus have been subject to audit by Charlton and Company Chartered Professional Accountants, and their audit report is included herein. Charlton and Company Chartered Professional Accountants is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

In addition, certain legal matters relating to the non-offering Prospectus and CSE listing will be passed upon on behalf of the Issuer by Harder & Company LLP.

None of the foregoing persons or companies have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Issuer or of its associates or affiliates when such person or Issuer prepared the report, valuation, statement or opinion aforementioned or thereafter.

FINANCIAL STATEMENTS

Audited financial statements of the Issuer for the years ended July 31, 2016 and July 31, 2017 are included in this Prospectus, in addition to the quarterly statements for the nine months ended April 30, 2018 and its corresponding management's discussion and analysis.

SCHEDULE "A" – AUDIT COMMITTEE CHARTER
CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF ZENITH EXPLORATION INC.
(the "Issuer")

Purpose of the Committee

The purpose of the audit committee (the "Audit Committee") of the directors of the Issuer (the "Board") is to provide an open avenue of communication between management, the Issuer's independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Issuer's financial reporting and disclosure practices;
- the Issuer's compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Issuer's auditor.

The Audit Committee shall also perform any other activities consistent with this Charter, the Issuer's articles and governing laws as the Audit Committee or Board deems necessary or appropriate.

The Audit Committee shall consist of at least three directors. Members of the Audit Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Audit Committee shall elect a Chairman from among their number. A majority of the members of the Audit Committee must not be officers or employees of the Issuer or of an affiliate of the Issuer. The quorum for a meeting of the Audit Committee is a majority of the members who are not officers or employees of the Issuer or of an affiliate of the Issuer. With the exception of the foregoing quorum requirement, the Audit Committee may determine its own audit procedures.

The Audit Committee's role is one of oversight. Management is responsible for preparing the Issuer's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor's responsibility is to audit the Issuer's financial statements and provide its opinion, based on its audit conducted in accordance with IFRS, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Issuer in accordance with IFRS.

The Audit Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Issuer's financial statements, preparing or issuing an auditor's report or performing other audit, review or attest services for the Issuer, and for reviewing and recommending the compensation of the independent auditor. The independent auditor shall report directly to the Audit Committee.

Authority and Responsibilities

In addition to the foregoing, in performing its oversight responsibilities the Audit Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.

2. Review the appointments of the Issuer's Chief Financial Officer and Chief Executive Officer and any other key financial executives involved in the financial reporting process.

3. Review with management and the independent auditor the adequacy and effectiveness of the Issuer's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with managements and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewing under applicable legal or regulatory requirements.

5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.

6. Review the Issuer's financial reporting and accounting standards and principles and significant accounting standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives hereto and the rationale for decisions made.

7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Issuer, including consideration of the independent auditor's judgement about the quality and appropriateness of the Issuer's accounting policies. This review may include discussions with the independent auditor without the presence of management.

8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.

9. Pre-approve all non-audit services to be provided to the Issuer by the independent auditor.

10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Issuer and all non-audit work performed for the Issuer by the independent auditor.

11. Establish and review the Issuer's procedures for the:
    - Receipt, retention and treatments of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
    - Confidential, anonymous submissions by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.

12. Conduct or authorize investigations into any matters that the Audit Committee believes is within the scope of its responsibilities. The Audit Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Issuer.

13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting Issuer in Parts 2 and 4 of National Instrument 52-110 of the Canadian Securities Administrators, the Business Issuers Act (British Columbia) and the articles of the Issuer.

SCHEDULE "B" – FINANCIAL STATEMENTS AND MD&A

Zenith Exploration Inc.

(formerly 1040442 B.C. Ltd.)

Condensed Interim Financial Statements

Nine Months Ended April 30, 2018

(Unaudited – Prepared by Management)
Expressed in Canadian Dollars

Zenith Exploration Inc.
(formerly 1040442 B.C. Ltd.)
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Notes		April 30, 2018		July 31, 2017
ASSETS					
Current assets					
Cash		$	454,411	$	-
Amounts receivable	7		2,589		130
			457,000		130
Exploration and evaluation assets	3		332,571		-
TOTAL ASSETS		**$**	**789,571**	**$**	**130**
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Accounts payable and accrued liabilities	7	$	20,365	$	6,357
Loans payable	4, 6		10,841		2,493
TOTAL LIABILITIES			**31,206**		**8,850**
SHAREHOLDERS' EQUITY					
Share capital	5		821,577		7,932
Deficit			(63,212)		(16,652)
TOTAL SHAREHOLDERS' EQUITY			**758,365**		**(8,720)**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**789,571**	**$**	**130**

Nature and continuance of operations (Note 1)

Approved by the board of directors and authorized for issue on July 18, 2018:

"Brent Hahn"	*"Barry Hartley"*
Brent Hahn, Director	Barry Hartley, Director

Zenith Exploration Inc.
(formerly 1040442 B.C. Ltd.)
Condensed Interim Statements of Loss and Comprehensive Loss
For the nine months ended April 30, 2018 and 2017
(Unaudited - Expressed in Canadian Dollars)

	For Three Months Ended		For Nine Months Ended	
	April 30, 2018	April 30, 2017	April 30, 2018	April 30, 2017
Expenses				
Consulting fees	$ 12,500	$ -	$ 20,000	$ -
Professional fees	5,481	142	14,278	142
Office and miscellaneous	27	-	568	-
Regulatory fees	7,666	-	10,482	-
Transfer agent	-	368	1,956	668
	(25,674)	(510)	(47,284)	(810)
Other Income				
Gain on forgiveness of debt	-	-	724	-
Loss and comprehensive loss	**$ (25,674)**	**$ (510)**	**$ (46,560)**	**$ (810)**
Loss per share – basic and diluted	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**
Weighted average number of common shares outstanding	24,511,601	396,601	13,456,436	396,601

Zenith Exploration Inc.
(formerly 1040442 B.C. Ltd.)
Condensed Interim Statements of Changes in Equity
(Unaudited - Expressed in Canadian Dollars)

	Notes	Share capital						
		Number of shares		Amount		Deficit		Total
Balance at July 31, 2016		**396,601**	**$**	**7,932**	**$**	**(10,682)**	**$**	**(2,750)**
Loss for the period		-		-		(810)		(810)
Balance at April 30, 2017		**396,601**		**7,932**		**(11,492)**		**(3,560)**
Balance at July 31, 2017		**396,601**	**$**	**7,932**	**$**	**(16,652)**	**$**	**(8,720)**
Issuance of common shares for property	3,5	15,000,000		300,000		-		300,000
Issuance of common shares for cash	5	9,115,000		516,500		-		516,500
Shares issuance costs	5	-		(2,855)		-		(2,855)
Loss for the period		-		-		(46,560)		(46,560)
Balance at April 30, 2018		**24,511,601**	**$**	**821,577**	**$**	**(63,212)**	**$**	**758,365**

Zenith Exploration Inc.
(formerly 1040442 B.C. Ltd.)
Condensed Interim Statements of Cash Flows
For the nine months ended April 30, 2018 and 2017
(Unaudited - Expressed in Canadian Dollars)

	April 30, 2018	April 30, 2017
Operating activities		
Loss for the period	$ (46,560)	$ (810)
Items not involving cash:		
Gain on forgiveness of debt	(724)	-
Changes in non-cash working capital items:		
Amounts receivable	(2,459)	-
Accounts payable and accrued liabilities	14,553	810
Net cash flows used in operating activities	(35,190)	-
Investing activities		
Exploration and evaluation asset	(32,571)	-
Net cash flows from investing activities	(32,571)	-
Financing activities		
Proceeds on issuance of common shares, net of share issuance cost	513,645	-
Loans from related parties	8,527	-
Net cash flows from financing activities	522,172	-
Change in cash	454,411	-
Cash, beginning	-	-
Cash, ending	**$ 454,411**	**$ -**
Non-cash activities		
Issuance of common shares for property	$ 300,000	-

1. **Nature and continuance of operations**

Zenith Exploration Inc. (formerly 1040442 B.C. Ltd.) (the "Company") was incorporated on June 19, 2015, under the laws of the province of British Columbia, Canada. On September 29, 2017, the Company changed its name to Zenith Exploration Inc. The Company is a resource exploration company that is acquiring and exploring mineral properties.

The head office, principal address, records office and registered address of the Company are located at 1080 - 789 West Pender Street, Vancouver BC.

These condensed interim financial statements have been prepared on the assumption that the Company and its subsidiaries will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. At April 30, 2018, the Company had not yet achieved profitable operations, had accumulated losses of $63,212 since its inception, and has a working capital of $425,794 (July 31, 2017 - $8,720 deficiency). The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent upon the successful results from its business activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and or profits from its business activities.

2. **Significant accounting policies**

Basis of presentation

These unaudited condensed interim financial statements were approved and authorized for issue on July 18, 2018 by the directors of the Company.

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. Certain information and note disclosures normally included in the audited annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed. As a result, these condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended July 31, 2017.

The Company may hold interests in mineral property interests in various forms, including prospecting licenses, exploration and exploitation concessions, mineral leases and surface rights, and property options. The Company capitalizes payments made in the process of acquiring legal title to these properties. Mineral property interest acquisition costs are recorded at historical cost. Exploration and evaluation expenditures incurred on properties prior to obtaining legal rights to explore the specific area are charged to operations as incurred.

New accounting policy

The carrying values of exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The carrying value of equipment is reviewed for indications of impairment at each reporting date. When impairment indicators exist, the asset's recoverable amount is estimated. If it is

2. **Significant accounting policies** (continued)

determined that the estimated recoverable amount is less than the carrying value of an asset, then a write-down is made with a charge to operations.

An impairment loss is reversed if there is indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

Future and Recently Adopted Accounting Standards

The Company is assessing the impact of this new standard but does not expect it to have a significant effect on the financial statements. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded herein.

The IASB issued a new standard, IFRS 9, "Financial Instruments" ("IFRS 9") replaces IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 replaces the multiple classification and measurement models in IAS 39 with a single model that has only two classification categories: amortized cost and fair value. The new standard also requires a single impairment method to be used, provides additional guidance on the classification and measurement of financial liabilities, and provides a new general hedge accounting standard. During the period ended April 30, 2018, the company adopted IFRS 9 and the adoption of IFRS 9 did not have a material impact on the financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. Exploration and evaluation assets

Scotch Creek Property

On November 14, 2017, the Company entered into a definitive agreement to purchase eight (8) mineral claims covering 1,384.12 hectares comprising the Scotch Creek Property in the Kamloops Mining Division of British Columbia. In connection with Scotch Creek Property Agreement, the Company and Vendors have also executed a royalty deed agreement pursuant to the terms and consideration of which the Vendors shall receive a net smelter return royalty of 2% from the Company. Two directors of the Company are vendors of the property.

In consideration for a 100% of undivided interest in the property, the Company issued 15,000,000 common shares for total consideration of $300,000 (Note 6).

Lac Matchl Property

On December 11, 2017, the Company entered into an option agreement with Doctors Investment Group Ltd ("Optionor"). Optionor grants the Company the sole and exclusive option to acquire a 100% right, title and interest in and to the property, which is located in the Province of Quebec on the terms set out herein. In order to exercise the Option and to maintain the option in good standing, the Company must:

3. Exploration and evaluation assets (continued)

(a) Pay to Optionor:
   (i) $20,000 in cash upon the execution of this agreement (paid);

(ii) an additional $10,000 in cash on or before the date that is six (6) months after the Effective Date ("Effective Date" means the date of the Final Exchange Bulletin giving notice of the approval by the Exchange of the listing of the Shares on the facilities of the Exchange and the acceptance by the Exchange of this option agreement and the transactions contemplated by this agreement);
(iii) an additional $25,000 in cash on or before the date that is twelve (12) months after the Effective Date;
(iv) an additional $250,000 in cash on or before the date that is twenty-four (24) months after the Effective Date (collectively, the "Option Payments")

(b) issue and deliver to Optionor:
(i) 200,000 Shares within five (5) business days of the Effective Date;
(ii) 100,000 Shares on or before the date that is six (6) months after the Effective Date;
(iii) 500,000 Shares on or before the date that is twelve (12) months after the Effective Date;
(iv) 750,000 Shares on or before the date that is twenty-four (24) months after the Effective Date (collectively, the "Share Issuance"); and

(c) incur expenditure on the property as follows:
(i) $250,000 on or before the date that is fourteen (14) months after the Effective Date;
(ii) $750,000 ($1,000,000 total) on or before the date that is twenty-eight (28) months after Effective Date (collectively, the "Property Expenditures").

In the event that the Effective Date is later than June 30, 2018, the Company will pay the Optionor an additional $25,000 on or before July 3, 2018.

The Company shall maintain in good standing the claims or other interests comprising the property by the doing and filing of assessment work or the making of payments in lieu.

The following is the description of the Company's exploration and evaluation assets, and related expenditure incurred for the nine months ended April 30, 2018.

3. **Exploration and evaluation assets** (continued)

	Scotch Creek	Lac Matchl	Total
Balance, beginning of period	**$ -**	**$ -**	**$ -**
Property acquisition costs			
Acquisition cost - cash	-	20,000	20,000
Acquisition cost - issuance of 15,000,000 shares	300,000	-	300,000
	300,000	20,000	320,000
Costs incurred during period:			
Administration	28	180	208
Geological consulting	7,500	4,552	12,052
Travel and accommodation	311	-	311
	7,839	4,732	12,571
Balance, end of period	$ 307,839	$ 24,732	$ 332,571

4. **Loans payable**

During the nine months ended April 30, 2018, an unsecured, non-interest-bearing loan in the amount of $179 from a company controlled by a former director of the Company was forgiven.

During the nine months ended April 30, 2018, the Company received an unsecured, non-interest-bearing loan in the amount of $7,614 from the directors of the Company. As at April 30, 2018, the Company is indebted to this director in an amount of $9,928 (July 31, 2017 – $2,314). The loan is due on demand (Note 6).

During the nine months ended April 30, 2018, the Company received an unsecured, non-interest-bearing loan in the amount of $913 from a director of the Company. As at April 30, 2018, the Company is indebted to this director in an amount of $913 (July 31, 2017 – $Nil). The loan is due on demand (Note 6).

5. **Share capital**

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At April 30, 2018, there were 24,511,601 issued and fully paid common shares.

5. Share capital (continued)

Share issuances

On November 14, 2017, the Company entered into a definitive agreement to purchase eight (8) mineral claims covering 1,384.12 hectares comprising the Scotch Creek Property in the Kamloops Mining Division of British Columbia. In consideration for a 100% of undivided interest in the property, the Company issued 15,000,000 common shares for total consideration of $300,000 (Note 3 & 6).

On December 4, 2017, the Company completed a private placement comprised of 4,000,000 common shares of the Company at a price of $0.005 per share for total proceeds of $20,000. The shares were purchased by two directors of the Company. The Company recognized $1,328 as share issuance costs (Note 6).

On December 5, 2017, the Company completed a private placement comprised of 300,000 common shares of the Company at a price of $0.05 per share for total proceeds of $15,000.

On January 31, 2018, the Company completed a private placement comprised of 4,815,000 common shares of the Company at a price of $0.10 per share for total proceeds of $481,500. Of 4,815,000 common shares issued, 1,000,000 shares were purchased by two directors of the Company. The Company recognized $1,527 as share issuance costs (Note 6).

Stock options

The Company has not issued any stock options and no stock options are outstanding as at April 30, 2018.

Warrants

The Company has not issued any warrants and no warrants are outstanding as at April 30, 2018.

6. Related parties

On November 14, 2017, the Company entered into a definitive agreement to purchase eight (8) mineral claims covering 1,384.12 hectares comprising the Scotch Creek Property. In connection with Scotch Creek Property Agreement, the Company and vendors have also executed a royalty deed agreement pursuant to the terms and consideration of which the vendors shall receive a net smelter return royalty of 2% from the Company. Two directors of the Company are vendors of the property. The Company issued 15,000,000 common shares for total consideration of $300,000 to the two directors (Note 3 & 5).

On December 4, 2017, the Company completed a private placement comprised of 4,000,000 common shares of the Company at a price of $0.005 per share for total proceeds of $20,000. The shares were purchased by two directors of the Company (Note 5).

On January 31, 2018, the Company completed a private placement comprised of 4,815,000 common shares of the Company at a price of $0.10 per share for total proceeds of $481,500. Of 4,815,000 common shares issued, 1,000,000 shares were purchased by two directors of the Company (Note 5).

As at April 30, 2018, the Company received loans in the aggregate amount of $10,841 (July 31, 2017 - $2,493) from two directors of the Company. The loans are unsecured, non-interest-bearing and payable on demand (Note 4).

Zenith Exploration Inc.
(formerly 1040442 B.C. Ltd.)

Management's Discussion and Analysis
For the Nine Months Ended April 30, 2018

General

This management discussion and analysis should be read in conjunction with the condensed interim financial statements and related notes thereto of Zenith Exploration Inc. (the "Company") for the nine months ended April 30, 2018 and 2017 (the "Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board ("IASB"). All amounts in the financial statements and this discussion and analysis are presented in Canadian dollars, unless otherwise indicated. This Management Discussion and Analysis ("MD&A") is dated July 18, 2018 and discloses specified information up to that date.

Management is responsible for the preparation and integrity of the condensed interim financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the condensed interim financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

Description of Business

On September 29, 2017, the Company changed its name to Zenith Exploration Inc. The Company is a resource exploration company that is acquiring and exploring mineral properties. The Company is a reporting issuer in the provinces of British Columbia and Alberta.

Highlights – Q3 April 30, 2018

On November 14, 2017, the Company entered into a definitive agreement to purchase the eight (8) mineral claims covering 1,384.12 hectares comprising the Scotch Creek Property in the Kamloops Mining Division of British Columbia (the "Property") for consideration of 15,000,000 common shares of the Company, at a deemed value of $0.02 per share, for total consideration of $300,000. Brent Hahn and Barry Hartley (the "Vendors"), both directors and officers of the Company, are vendors of the Property. In connection with the agreement, the Company and the Vendors have also executed a royalty deed agreement pursuant to the terms and conditions of which the Vendors shall receive a net smelter return royalty of 2% from the Company.

On December 4, 2017, the Company completed a first private placement comprised of 4,000,000 common shares of the Company at a price of $0.005 per share for total proceeds of $20,000. The shares were purchased by Brent Hahn and Barry Hartley, two directors of the Company. The Company recognized $1,328 as share issuance costs.

On December 5, 2017, the Company completed a second private placement comprised of 300,000 common shares of the Company at a price of $0.05 per share for total proceeds of $15,000.

On December 11, 2017, the Company entered into an option agreement with Doctors Investment Group Ltd. Doctors Investment Group grants the Company the sole and exclusive option to acquire a 100% right, title and interest in and to the Lac Matchi property, which is located in the Province of Quebec on the terms set out.

On January 31, 2018, the Company completed a private placement comprised of 4,815,000 common shares of the Company at a price of $0.10 per share for total proceeds of $481,500. Of 4,815,000 common shares issued, 1,000,000 shares were purchased by Brent Hahn and Barry Hartley, two directors of the Company. The Company recognized $1,347 as share issuance costs.

On February 10, 2018, the Company received the Technical Report (NI 43-101) on the Lac Matchi Property.

On March 8, 2018, the Company filed the Non-Offering Preliminary Prospectus to British Columbia Securities Commission for the purpose of complying with Policy 2 – Qualifications for listing of Canadian Securities Exchange in order the listing of its common shares on the Canadian Securities Exchanges ("CSE" or "the Exchange").

Exploration and evaluation assets

Scotch Creek Property

On November 14, 2017, the Company entered into a definitive agreement to purchase eight (8) mineral claims covering 1,384.12 hectares comprising the Scotch Creek Property in the Kamloops Mining Division of British Columbia. In connection with Scotch Creek Property Agreement, the Company and Vendors have also executed a royalty deed agreement pursuant to the terms and consideration of which the Vendors shall receive a net smelter return royalty of 2% from the Company. Brent Hahn and Barry Hartley (the "Vendors"), both directors and officers of the Company, are vendors of the Property.

In consideration for a 100% of undivided interest in the property, the Company issued 15,000,000 common shares at a deemed value of $0.02 for total consideration of $300,000

Lac Matchi Property

On December 11, 2017, the Company entered into an option agreement with Doctors Investment Group Ltd ("Optionor"). Optionor grants the Company the sole and exclusive option to acquire a 100% right, title and interest in and to the property, which is located in the Province of Quebec on the terms set out herein. In order to exercise the option and to maintain the option in good standing, the Company must:

(d) Pay to Optionor:
  - (v) $20,000 in cash upon the execution of this agreement (paid);
  - (vi) an additional $10,000 in cash on or before the date that is six (6) months after the Effective Date ("Effective Date" means the date of the Final Exchange Bulletin giving notice of the approval by the Exchange of the listing of the Shares on the facilities of the Exchange and the acceptance by the Exchange of this option agreement and the transactions contemplated by this agreement);

(vii) an additional $25,000 in cash on or before the date that is twelve (12) months after the Effective Date;

(viii) an additional $250,000 in cash on or before the date that is twenty-four (24) months after the Effective Date (collectively, the "Option Payments")

(e) issue and deliver to Optionor:

(v) 200,000 Shares within five (5) business days of the Effective Date;

(vi) 100,000 Shares on or before the date that is six (6) months after the Effective Date;

(vii) 500,000 Shares on or before the date that is twelve (12) months after the Effective Date;

(viii) 750,000 Shares on or before the date that is twenty-four (24) months after the Effective Date (collectively, the "Share Issuance"); and

(f) incur expenditure on the property as follows:

(iii) $250,000 on or before the date that is fourteen (14) months after the Effective Date;

(iv) $750,000 ($1,000,000 total) on or before the date that is twenty-eight (28) months after Effective Date (collectively, the "Property Expenditures").

In the event that the Effective Date is later than June 30, 2018, the Company will pay the Optionor an additional $25,000 on or before July 3, 2018.

The Company shall maintain in good standing the claims or other interests comprising the property by the doing and filing of assessment work or the making of payments in lieu.

Results of Operations

	For Three Months Ended		For Nine Months Ended	
	April 30, 2018	**April 30, 2017**	**April 30, 2018**	**April 30, 2017**
Expenses				
Consulting fees	$ 12,500	$ -	$ 20,000	$ -
Professional fees	5,481	142	14,278	142
Office and miscellaneous	27	-	568	-
Regulatory fees	7,666	-	10,482	-
Transfer agent	-	368	1,956	668
	(25,674)	(510)	(47,284)	(810)
Other Income				
Gain on forgiveness of debt	-	-	724	-
Loss and comprehensive loss	**$ (25,674)**	**$ (510)**	**$ (46,560)**	**$ (810)**

Three months ended April 30, 2018 and 2017

Loss

The net loss for the three months ended April 30, 2018 was $25,674 compared to $510 for the quarter ended April 30, 2017, representing an increase in loss of $25,164.

Expenses

For the three months ended April 30, 2018, total expenses were $25,674 compared to $510 recorded during the same period in 2017, representing an increase in expenses of $25,164. The higher consulting fees, professional fees and regulatory fees for the current quarter are due to the increased activities in preparation of prospectus.

Nine months ended April 30, 2018 and 2017

Loss

The net loss for the nine months ended April 30, 2018 was $46,560 compared to $810 for the nine months ended April 30, 2017, representing an increase in loss of $45,750.

Expenses

For the nine months ended April 30, 2018, total expenses were $47,284 compared to $810 recorded during the same period in 2017, representing an increase in expenses of $46,474. The higher expenses for the current quarter are due to the increased activities in preparation of prospectus.

Selected Quarterly Information

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's condensed interim financial statements. All dollar amounts are in Canadian dollars.

Quarter Ended	Loss for the period	Loss per Share (Basic & Diluted)	Total Assets	Interest Income
April 30, 2018	$25,674	$0.00	$789,571	$Nil
January 31, 2018	$15,402	$0.00	$814,288	$Nil
October 31, 2017	$5,484	$0.01	$130	$Nil
July 31, 2017	$5,160	$0.00	$Nil	$Nil
April 30, 2017	$510	$0.00	$Nil	$Nil
January 31, 2017	$150	$0.00	$Nil	$Nil
October 31, 2016	$150	$0.00	$Nil	$Nil
July 31, 2016	$1,700	$0.00	$Nil	$Nil

Financial Condition, Liquidity and Capital Resources

The Company had a working capital of $425,794 (July 31, 2017 - $8,720 deficiency) at April 30, 2018. The Company does not currently have an active business generating positive cash flows. The Company is reliant on equity financing or shareholder loans to provide the necessary cash to acquire or participate in an active business. There can be no assurance that equity financings will be available to the Company in the future that will be obtained on terms satisfactory to the Company.

On December 4, 2017, the Company completed a first private placement comprised of 4,000,000 common shares of the Company at a price of $0.005 per share for total proceeds of $20,000. The shares were purchased by Brent Hahn and Barry Hartley, two directors of the Company. The Company recognized $1,328 as share issuance costs.

On December 5, 2017, the Company completed a second private placement comprised of 300,000 common shares of the Company at a price of $0.05 per share for total proceeds of $15,000.

On January 31, 2018, the Company completed a private placement comprised of 4,815,000 common shares of the Company at a price of $0.10 per share for total proceeds of $481,500. Of 4,815,000 common shares issued, 1,000,000 shares were purchased by Brent Hahn and Barry Hartley, two directors of the Company. The Company recognized $1,527 as share issuance costs.

The Company has not entered into any off-balance sheet arrangements.

Related Party Transactions

On November 14, 2017, the Company entered into a definitive agreement to purchase eight (8) mineral claims covering 1,384.12 hectares comprising the Scotch Creek Property. In connection with Scotch Creek Property Agreement, the Company and vendors have also executed a royalty deed agreement pursuant to the terms and consideration of which the vendors shall receive a net smelter return royalty of 2% from the Company. Mr. Brent Hahn, the Chief Executive Officer and a director, and Mr. Barry Hartley, the Chief Financial Officer and a director, are vendors of the property. The Company issued 15,000,000 common shares at a deemed value of $0.02 for total consideration of $300,000 to the two directors.

On December 4, 2017, the Company completed a private placement comprised of 4,000,000 common shares of the Company at a price of $0.005 per share for total proceeds of $20,000. The shares were purchased by two directors of the Company.

On January 31, 2018, the Company completed a private placement comprised of 4,815,000 common shares of the Company at a price of $0.10 per share for total proceeds of $481,500. Of 4,815,000 common shares issued, 1,000,000 shares were purchased by two directors of the Company.

During the nine months ended April 30, 2018, the Company received loans in the aggregate amount of $913 from Mr. Brent Hahn, the Chief Executive Officer and a director of the Company. The Company also received loans in the aggregate amount of $7,614 from Mr. Barry Hartley, the Chief Financial Officer and a director of the Company. As at April 30, 2018, the outstanding loans were $10,841 (July 31, 2017 – $2,493). The loans are unsecured, non-interest bearing and payable on demand.

Accounting Policies

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations and may require management to make judgements or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

New accounting policy

Exploration and evaluations assets

The Company may hold interests in mineral property interests in various forms, including prospecting licenses, exploration and exploitation concessions, mineral leases and surface rights, and property options. The Company capitalizes payments made in the process of acquiring legal title to these properties. Mineral property interest acquisition costs are recorded at historical cost. Exploration and evaluation expenditures incurred on properties prior to obtaining legal rights to explore the specific area are charged to operations as incurred.

The carrying values of exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The carrying value of equipment is reviewed for indications of impairment at each reporting date. When impairment indicators exist, the asset's recoverable amount is estimated. If it is determined that the estimated recoverable amount is less than the carrying value of an asset, then a write-down is made with a charge to operations.

An impairment loss is reversed if there is indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

Critical Accounting Estimates

The Company prepares its financial statements in accordance with IFRS, which require management to estimate various matters that are inherently uncertain as of the date of the financial statements. Accounting estimates are deemed critical when a different estimate could have reasonably been used or where changes in the estimate are reasonably likely to occur from period to period and would materially impact the Company's financial statements. The Company's significant accounting policies are discussed in the annual consolidated financial statements for the years ending July 31, 2017 and 2016.

The most significant judgments in applying the Company's financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the determination of the functional currency of the parent company and its subsidiaries.

Future and Recently Adopted Accounting Standards

The Company is assessing the impact of this new standard but does not expect it to have a significant effect on the financial statements. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded herein.

IFRS 9, Financial Instruments

The IASB issued a new standard, IFRS 9, "Financial Instruments" ("IFRS 9") replaces IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 replaces the multiple classification and measurement models in IAS 39 with a single model that has only two classification categories: amortized cost and fair value. The new standard also requires a single impairment method to be used, provides additional guidance on the classification and measurement of financial liabilities, and provides a new general hedge accounting standard.

During the period ended April 30, 2018, the company adopted IFRS 9 and the adoption of IFRS 9 did not have a material impact on the financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Financial Instruments and Risk Management

Fair Values

The fair values of receivables, trade payables, and loans payable approximate their carrying values because of the short-term nature of these instruments.

(a) *Financial Risk Management*

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

(b) *Financial Instrument Risk Exposure*

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit Risk
Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company is not exposed to credit risk.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. Such fluctuations may be significant.

(a) Interest rate risk

The Company has no cash balances and no interest-bearing debt.

(b) Foreign currency risk

The Company is not exposed to foreign currency risk on fluctuations in exchange rates.

(c) Price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Contingencies

The Company is not aware of any contingencies or pending legal proceedings as of as at the date of this report.

Additional share information

As at April 30, 2018, the Company had 24,511,601 common shares outstanding and as the date of this report, the Company had 24,511,601 common shares outstanding.

As at April 30, 2018 and as at the date of this report, the Company had no stock options or warrants outstanding.

- **Disclaimer**

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.sedar.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

- **Cautionary Statement on Forward Looking Information**

Certain statements contained in this document constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements.

Zenith Exploration Inc.

(formerly 1040442 B.C. Ltd.)

Financial Statements

Year Ended July 31, 2017

Expressed in Canadian Dollars

UNIT 114B (2nd floor)
8988 FRASERTON COURT
BURNABY, BC, V5J 5H8

T: **604.318.5465**
F: **604.239.0866**

Adam Kim
ADAM SUNG KIM LTD.
CHARTERED PROFESSIONAL ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
Zenith Exploration Inc. (formerly, 1040442 B.C. Ltd.)

I have audited the accompanying financial statements of Zenith Exploration Inc. (formerly, 1040442 B.C. Ltd.) (the "Issuer"), which comprise the statement of financial position as at July 31, 2017, and the statement of loss and comprehensive loss, statement of cash flows and statement of changes in equity for the year ended July 31, 2017, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Issuer as at July 31, 2017, and its financial performance and its cash flow for the year ended July 31, 2017 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to Note 1 in the financial statements which indicates that the Issuer has incurred losses to date. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the Issuer's ability to continue as a going concern.

Other Matter

The financial statements of the Issuer for the year ended July 31, 2016, were audited by another auditor who expressed an unmodified opinion on those statements on March 10, 2017.

"Adam Sung Kim Ltd."
Chartered Professional Accountant

Burnaby, British Columbia
November 17, 2017

Zenith Exploration Inc.
(formerly 1040442 B.C. Ltd.)
Statements of Financial Position
As at July 31, 2017 and 2016
(Expressed in Canadian Dollars)

	Notes		July 31, 2017		July 31, 2016
ASSETS					
Current assets					
Amounts receivable		$	130	$	-
TOTAL ASSETS		**$**	**130**	**$**	**-**
LIABILITIES AND SHAREHOLDERS' DEFICIENCY					
Current Liabilities					
Accounts payable and accrued liabilities		$	6,357	$	2,750
Loans payable	4		2,493		-
TOTAL LIABILITIES			8,850		2,750
SHAREHOLDERS' DEFICIENCY					
Share capital	5		7,932		7,932
Deficit			(16,652)		(10,682)
TOTAL SHAREHOLDERS' DEFICIENCY			**(8,720)**		**(2,750)**
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY		**$**	**130**	**$**	**-**

Nature and continuance of operations (Note 1)
Subsequent events (Note 10)

Approved by the board of directors and authorized for issue on November 17, 2017:

"Brent Hahn"	*"Barry Hartley"*
Brent Hahn, Director	Barry Hartley, Director

Zenith Exploration Inc.
(formerly 1040442 B.C. Ltd.)
Statements of Loss and Comprehensive Loss
For the years ended July 31, 2017 and 2016
(Expressed in Canadian Dollars)

		2017		2016
Expenses				
Accounting and audit	$	2,892	$	2,000
Office and miscellaneous		1,772		1,000
Regulatory fees		253		-
Shareholder information		261		-
Transaction fees		-		6,932
Transfer agent		792		750
Loss and comprehensive loss	**$**	**(5,970)**	**$**	**(10,682)**
Loss per share – basic and diluted	**$**	**(0.02)**	**$**	**(0.04)**
Weighted average number of common shares outstanding		396,601		299,895

Zenith Exploration Inc.
(formerly 1040442 B.C. Ltd.)
Statements of Changes in Equity
(Expressed in Canadian Dollars)

		Share capital			
	Notes	Number of shares	Amount	Deficit	Total
Balance at July 31, 2015		**1**	**$ -**	**$ -**	**$ -**
Shares issued for plan of arrangement	5	396,600	7,932	-	7,932
Loss for the year		-	-	(10,682)	(10,682)
Balance at July 31, 2016		**396,601**	**7,932**	**(10,682)**	**(2,750)**
Loss for the year		-	-	(5,970)	(5,970)
Balance at July 31, 2017		**396,601**	**$ 7,932**	**$ (16,652)**	**$ (8,720)**

Zenith Exploration Inc.
(formerly 1040442 B.C. Ltd.)
Statements of Cash Flows
For the years ended July 31, 2017 and 2016
(Expressed in Canadian Dollars)

	2017	2016
Operating activities		
Loss for the year	$ (5,970)	$ (10,682)
Item not involving cash:		
Transaction fees	-	6,932
Changes in non-cash working capital items:		
Amounts receivable	(130)	-
Accounts payable and accrued liabilities	3,607	2,750
Net cash flows used in operating activities	(2,493)	(1,000)
Financing activities		
Proceeds on issuance of common shares, net	-	1,000
Loans from related parties	2,493	
Net cash flows from financing activities	2,493	1,000
Change in cash	-	-
Cash, beginning	-	-
Cash, ending	**$ -**	**$ -**

There were no significant non-cash transactions for the years ended July 31, 2017 and 2016.

7. Nature and continuance of operations

Zenith Exploration Inc. (formerly 1040442 B.C. Ltd.) (the "Issuer") was incorporated on June 19, 2015, under the laws of the province of British Columbia, Canada. On October 4, 2017, the Issuer changed its name to Zenith Exploration Inc. The Issuer is a resource exploration Issuer that is acquiring and exploring mineral properties.

Zenith was incorporated pursuant to the BCBCA on June 19, 2015 as 1040442 B.C. Ltd. and changed its name to Genix Pharmaceuticals Corp. on October 29, 2015.The Issuer completed a statutory arrangement under a Plan of Arrangement executed and completed between Kidani Capital Partners Inc. (now "TNX Maverick Inc."), 1040426 BC Ltd., 1040428 BC Ltd., 1040433 BC Ltd., 1040436 BC Ltd., 1040440 BC Ltd. and Genix Pharmaceuticals Corp. on October 29, 2015. Following the completion of the Plan of Arrangement, (the "Plan of Arrangement") (Note 5), the Company became a reporting issuer in British Columbia and Alberta.

Genix Pharmaceuticals Corp. changed its name to 1040442 B.C. Ltd. on May 10, 2016 and subsequently to "Zenith Exploration Inc." on September 29, 2017.

The head office, principal address, records office and registered address of the Issuer are located at 810 - 789 West Pender Street, Vancouver BC.

These financial statements have been prepared on the assumption that the Issuer and its subsidiaries will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. At July 31, 2017, the Issuer had not yet achieved profitable operations, had accumulated losses of $16,652 since its inception, and has working capital deficit of $8,720. The Issuer expects to incur further losses in the development of its business, all of which casts significant doubt about the Issuer's ability to continue as a going concern. Different bases of measurement may be appropriate if the Issuer is not expected to continue operations for the foreseeable future. The Issuer's continuation as a going concern is dependent upon the successful results from its business activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and or profits from its business activities.

8. Basis of preparation

Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee.

9. Significant accounting policies

Significant estimates and assumptions

The preparation of the Issuer's financial statements in conformity with IFRS requires management to make estimates and assumptions concerning the future. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation relate to the fair value measurements for financial instruments and stock-based compensation and other equity-based payments, and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates.

3. Significant accounting policies (cont'd)

Significant judgments

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

- The assessment of the Issuer's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the determination of the functional currency of the parent Issuer and its subsidiaries.

Foreign currency translation

The functional currency of each entity is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Canadian dollars which is the parent Issuer's functional and presentation currency. The functional currency of the subsidiaries is the Canadian dollar.

Transactions and balances:

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of loss and comprehensive income in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of 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 corresponding amount is recorded to reserves. The fair value of options is determined using the Black–Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

3. Significant accounting policies (cont'd)

Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Issuer. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Financial instruments

The Issuer classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and other financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Issuer's intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary financial assets.

3. Significant accounting policies (cont'd)

***Financial instruments** (cont'd)*

Non-derivative financial liabilities (excluding financial guarantees) classified as other financial liabilities are subsequently measured at amortized cost.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Issuer commits to purchase the asset.

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

At each reporting date, the Issuer assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

The Issuer's cash and receivables are classified as loans and receivables. The Issuer's trade payables and deposits are classified as other financial liabilities.

Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities;
- Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3: Inputs that are not based on observable market data.

The Issuer does not have any derivative financial assets or liabilities.

Impairment of assets

The carrying amount of the Issuer's assets (which include exploration and evaluation assets) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of income and comprehensive income.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

3. Significant accounting policies (cont'd)

***Impairment of* assets** (cont'd)

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Issuer operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided using the asset and liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

3. Significant accounting policies (cont'd)

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRIC that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Issuer may have been excluded from the list below. The Issuer has not yet assessed the impact, if any, that the new amended standards will have on its financial statements or whether to early adopt any of the new requirements. The following standard will be effective for annual periods beginning on or after January 1, 2018:

IFRS 15, *Revenue from Contracts with Customers* – In May 2014, the IASB issued IFRS 15 which supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programmes*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC 31, *Revenue – Barter Transactions Involving Advertising Services*. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition. The standard is effective for annual periods beginning on or after January 1, 2017. The Issuer is currently evaluating the impact the final standard is expected to have on its financial statements.

IFRS 9, *Financial Instruments* – The IASB intends to replace IAS 39, *Financial Instruments: Recognition and Measurement* in its entirety with IFRS 9 which is intended to reduce the complexity in the classification and measurement of financial instruments. In February 2014, the IASB tentatively determined that the revised effective date for IFRS 9 would be January 1, 2018. The Issuer is currently evaluating the impact the final standard is expected to have on its financial statements.

4. Loans payable

During the year ended July 31, 2017, the Issuer received an unsecured, non-interest bearing loan in the amount of $179 from a company controlled by a former director of the Issuer. The loan is due on demand (Note 6).

During the year ended July 31, 2017, the Issuer received an unsecured, non-interest bearing loan in the amount of $2,314 from a director of the Issuer. The loan is due on demand (Note 6).

5. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At July 31, 2017, there were 396,601 issued and fully paid common shares.

5. Share capital (cont'd)

Share issuances

On June 19, 2015, the Issuer issued one common share for gross proceeds of $1.

During the year ended July 31, 2016, pursuant to the Plan of Arrangement (Note 1), the Issuer issued 396,600 for $1,000 and the acquisition of a Letter of Intent valued at $6,932 and included as transaction fees on the statement of loss and comprehensive loss.

Stock options

The Issuer has not issued any stock options and no stock options are outstanding as at July 31, 2017 and 2016.

Warrants

The Issuer has not issued any warrants and no warrants options are outstanding as at July 31, 2017 and 2016.

6. Related parties

During the year ended July 31, 2017, the Issuer paid/accrued accounting and other office fees of $1,255 (2016 - $Nil) to a company controlled by a former director of the Issuer.

During the year ended July 31, 2017, the Issuer received loans in the aggregate amount of $2,493 from the Issuer's current director and a company controlled by a former director of the Issuer. The loans are unsecured, non-interest bearing and payable on demand (Note 4). As at July 31, 2017, the Issuer owed $2,493 related to these loans.

Included in accounts payable and accrued liabilities as at July 31, 2017 is $571 payable to a company controlled by a former director of the Issuer.

7. Financial risk and capital management

The Issuer is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Issuer is not exposed to credit risk.

7. Financial risk and capital management (cont'd)

Liquidity risk

Liquidity risk is the risk that the Issuer will not be able to meet its financial obligations as they fall due. The Issuer has a planning and budgeting process in place to help determine the funds required to support the Issuer's normal operating requirements on an ongoing basis. The Issuer ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Issuer's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Issuer's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Issuer is not exposed to interest rate risk.

Capital Management

The Issuer's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Issuer consists of equity and cash.

There were no changes in the Issuer's approach to capital management during the year.

The Issuer is not subject to any externally imposed capital requirements.

Classification of financial instruments

Financial liabilities included in the statement of financial position are as follows:

		July 31, 2017		July 31, 2016
Non-derivative financial liabilities:				
Accounts payable and accrued liabilities	$	6,357	$	2,750
Loans payable		2,493		-
	$	8,850	$	2,750

(Expressed in Canadian Dollars)

8. Segmented information

The Issuer operates in a single reportable operating segment – business development services in Canada.

9. Income taxes

A reconciliation of income taxes at statutory tax rates is as follows:

		July 31, 2017		July 31, 2016
Loss for the year	$	5,970	$	10,682
Statutory tax rate		26%		26%
Expected recovery of income taxes		1,552		2,777
Permanent and other differences		-		(2,062)
Change in benefit not recognized		(1,552)		(715)
Deferred income tax recovery	$	-	$	-

The significant components of the Issuer's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

		July 31, 2017		July 31, 2016
Non-capital losses	$	2,267	$	715

The Issuer's non-capital losses of $8,720 (2016: $2,750), expire in between 2036 and 2037 if not utilized to reduce income in future periods.

10. Subsequent event

In October 2017, the Issuer issued 4,000,000 common shares at a price of $0.005 per share for total gross proceeds of $20,000.

On November 3, 2017, the Issuer purchased the rights, title and undivided 100% interest in and to the mineral interests located in the Province of British Columbia in consideration of 15,000,000 common shares of the Issuer.

Zenith Exploration Inc.
(formerly 1040442 B.C. Ltd.)

Management's Discussion and Analysis

For the Year Ended July 31, 2017

General

This management discussion and analysis of financial position and results of operations ("MD&A) is prepared as at November 17, 2017 and should be read in conjunction with the audited financial statements for the year ended July 31, 2017 and related notes of Zenith Exploration Inc. (formerly 1040442 B.C. Ltd.) ("Zenith", "1040442" or the "Issuer"). These audited consolidated financial statements, including comparatives, have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the consolidated financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Issuer's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Issuer is available for viewing on SEDAR at www.sedar.com.

Description of Business

On September 29, 2017, the Issuer changed its name to Zenith Exploration Inc. The Issuer is a resource exploration Issuer that is acquiring and exploring mineral properties. The Issuer is a reporting issuer in the provinces of British Columbia and Alberta.

On November 3, 2017, the Issuer agreed to purchase the rights, title and undivided 100% interest in and to the mineral interests located in the Province of British Columbia (the "Property") in consideration of 15,000,000 common shares of the Issuer.

Plan of Arrangement

In July 2015, the Issuer entered into an Arrangement Agreement with TNX Maverick Inc. ("TNX) (formerly Kidani Capital Partners Inc.) and 1040678 BC Ltd. ("1040678"). TNX is a reporting issuer in the provinces of Alberta and British Columbia.

In October 2015, the shareholders of the Issuer, TNX and 1040678, executed the Arrangement as follows:

a) 1040678 acquired all of the issued and outstanding common shares of the Issuer from TNX for consideration of the Purchase Price of $1,000 on the Closing of the Plan of Arrangement (the "Purchase Shares");

b) 1040678 and the Issuer exchanged securities on a 1:1 basis such that 396,600 common shares of 1040678 were exchanged by their holders for 396,600 common shares of the Issuer;

c) TNX and the Issuer exchanged on a 1:1 basis, such that TNX issued one common shares to the Issuer and the Issuer issued one common share to TNX (collectively, the "Exchange Shares"); and

d) The Purchase and the Exchange Shares were then cancelled.

Following completion of the Arrangement Agreement, the Issuer became a reporting issuer.

As a result of the Arrangement Agreement, the former shareholders of 1040678, for accounting purposes, are considered to have acquired control of the Issuer. Accordingly, the Arrangement has been accounted for as a reverse takeover that was not a business combination and effectively a capital transaction of the Issuer. As 1040678 is deemed to be accounting acquirer for accounting purposes, its assets and liabilities and operations since incorporation on June 19, 2015 are included in the consolidated financial statements at their historical carrying value. The financial statements are a continuation of 1040678 in accordance with IFRS 3, Business Combinations. The Issuer's results of operations are included from October 29, 2015 onwards.

Selected Annual Information

The following table sets out selected annual financial results from the consolidated audited financial statements:

Years ended July 31,	2017	2016	2015
	$	$	$
Revenues	-	-	-
Gross profit (loss)	-	-	-
Operating expense	5,970	10,682	-
Other income (expense)	-	-	-
Net income (loss) for the year	(5,970)	(10,682)	-
Earnings (loss) per share	(0.02)	(0.04)	(0.00)
Total assets	130	-	1
Total long-term liabilities	-	-	-
Cash dividends declared	-	-	-

Results of Operations

For the year ended July 31, 2017, the Issuer incurred a loss of $5,970 compared to a loss of $10,682 for the year ended July 31, 2016. The decrease is due to the transaction fees of $6,932 in 2016 related to the Plan of Arrangement.

The Issuer's operating expenses for the year ended July 31, 2017 were kept to a minimum. Subsequent to July 31, 2017, the Issuer changed its name and shifted its focus to become a resource exploration Issuer.

Selected Quarterly Information

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Issuer's financial statements. All dollar amounts are in Canadian dollars.

Quarter Ended	Loss for the period	Loss per Share (Basic & Diluted)	Total Assets	Interest Income
July 31, 2017	$5,160	$0.02	$130	$Nil
April 30, 2017	$510	$0.00	$Nil	$Nil
January 31, 2017	$150	$0.00	$Nil	$Nil
October 31, 2016	$150	$0.00	$Nil	$Nil
July 31, 2016	$1,700	$0.01	$Nil	$Nil
April 30, 2016	$450	$0.00	$Nil	$Nil
January 31, 2016	$450	$0.00	$Nil	$Nil

October 31, 2015	$8,082	$0.98	$Nil	$Nil

Financial Condition, Liquidity and Capital Resources

The Issuer's working capital deficiency position at July 31, 2017 was $8,720 including cash of $Nil. The Issuer does not currently have an active business generating positive cash flows. The Issuer is reliant on equity financing or shareholder loans to provide the necessary cash to acquire or participate in an active business. There can be no assurance that equity financings will be available to the Issuer in the future that will be obtained on terms satisfactory to the Issuer.

The Issuer has not entered into any off-balance sheet arrangements.

Related Party Transactions

During the year ended July 31, 2017, the Issuer paid/accrued accounting and other office fees of $1,255 (2016 - $Nil) to a company controlled by Mr. Eugene Beukman, a former director of the Issuer.

During the year ended July 31, 2017, the Issuer received loans in the aggregate amount of $2,493 from Mr. Barry Hartley, a director of the Issuer, and a company controlled by Mr. Eugene Beukman, a former director of the Issuer. The loans are unsecured, non-interest bearing and payable on demand. As at July 31, 2017, the Issuer owed $2,493 related to these loans.

Included in accounts payable and accrued liabilities as at July 31, 2017 is $571 payable to a company controlled by Mr. Eugene Beukman, a former director of the Issuer.

Accounting Policies

The accounting policies and methods employed by the Issuer determine how it reports its financial condition and results of operations, and may require management to make judgements or rely on assumptions about matters that are inherently uncertain. The Issuer's results of operations are reported using policies and methods in accordance with IFRS. In preparing financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

Critical Accounting Estimates

The Issuer prepares its financial statements in accordance with IFRS, which require management to estimate various matters that are inherently uncertain as of the date of the financial statements. Accounting estimates are deemed critical when a different estimate could have reasonably been used or where changes in the estimate are reasonably likely to occur from period to period, and would materially impact the Issuer's financial statements. The Issuer's significant accounting policies are discussed in the consolidated financial statements.

The most significant judgments in applying the Issuer's financial statements include:

- The assessment of the Issuer's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the determination of the functional currency of the parent Issuer and its subsidiaries.

Future Changes in Accounting Standards

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRIC that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Issuer may have been excluded from the list below. The following standard will be effective for annual periods beginning on or after January 1, 2018:

IFRS 9, Financial Instruments – The IASB intends to replace IAS 39, Financial Instruments: Recognition and Measurement in its entirety with IFRS 9 which is intended to reduce the complexity in the classification and measurement of financial instruments. In February 2014, the IASB tentatively determined that the revised effective date for IFRS 9 would be January 1, 2018. The Issuer does not expect any significant impact on its consolidated financial statements following the adoption of IFRS 9.

Financial Instruments and Risk Management

Fair Values

The fair values of cash and equivalents, receivables and trade payables approximate their book values because of the short-term nature of these instruments.

(a) *Financial Risk Management*

The Board of Directors has overall responsibility for the establishment and oversight of the Issuer's risk management framework. The Issuer considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

(b) *Financial Instrument Risk Exposure*

The Issuer is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit Risk
Credit risk is the risk of a financial loss to the Issuer if a counterparty to a financial instrument fails to meet its contractual obligation. The Issuer is not exposed to credit risk.

Liquidity Risk
Liquidity risk is the risk that the Issuer will not be able to meet its obligations as they become due. The Issuer's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Issuer manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. Such fluctuations may be significant.

(a) Interest rate risk

The Issuer has no cash balances and no interest-bearing debt.

(b) Foreign currency risk

The Issuer is not exposed to foreign currency risk on fluctuations in exchange rates.

(c) Price risk

The Issuer is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Issuer's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Issuer closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Issuer.

Contingencies

The Issuer is not aware of any contingencies or pending legal proceedings as of November 17, 2017.

Additional share information

As at July 31, 2017, the Issuer had 396,601 common shares outstanding and November 17, 2017 the Issuer had 396,601 common shares outstanding.

As at July 31, 2017 and as at the date of this report, the Issuer has no stock options or warrants outstanding.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Issuer. It should be read in conjunction with all other disclosure documents provided by the Issuer, which can be accessed at www.sedar.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

Cautionary Statement on Forward Looking Information

Certain statements contained in this document constitute “forward-looking statements”. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Issuer to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements.

1040442 BC LTD.

Consolidated Financial Statements

Year Ended July 31, 2016

Expressed in Canadian Dollars

charlton

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555 BURRARD STREET
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charlton & company
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
1040442 BC Ltd.

We have audited the accompanying financial statements of 1040442 BC Ltd., which comprise the statements of financial position as at July 31, 2016 and 2015 and the statements of loss and comprehensive loss, changes in equity and cash flows for the year ended July 31, 2016 and period ended July 31, 2015, and a summary of significant accounting policies and other explanatory information.

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

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

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

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

Opinion
In our opinion, these financial statements present fairly, in all material respects, the financial position of 1040442 BC Ltd. as at July 31, 2016 and 2015 and its financial performance and cash flows for the year ended July 31, 2016, and period ended July 31, 2015 in accordance with International Financial Reporting Standards.

Emphasis of Matters
Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company has incurred losses to date and its continuance as a going concern is dependent upon its ability to raise additional capital or evaluate strategic alternatives. These conditions as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

"Charlton & Company"

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC
March 10, 2017

1040442 BC Ltd.
Consolidated statement of financial position
As at July 31, 2016 and 2015
(Expressed in Canadian Dollars)

	Notes		July 31, 2016		July 31, 2015
ASSETS					
Current assets					
Cash		$	-	$	1
TOTAL ASSETS		$	-	$	1
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)					
Current Liabilities					
Accounts payable and accrued liabilities		$	2,750	$	-
SHAREHOLDERS' EQUITY (DEFICIENCY)					
Share capital	5		7,932		1
Deficit			(10,682)		-
TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)			(2,750)		1
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		$	-	$	1

Nature and continuance of operations (Note 1)

1040442 BC Ltd.
Consolidated statement of loss and comprehensive loss
For the year ended July 31, 2016 and period ended July 31, 2015
(Expressed in Canadian Dollars)

			2016		2015
Expenses					
Audit fees		$	2,000	$	-
Office and miscellaneous			1,000		-
Transaction fees	3		6,932		-
Transfer agent			750		-
Loss and comprehensive loss for the period		$	(10,682)	$	-
Loss per share – basic and diluted		$	(0.04)	$	(0.00)
Weighted average number of common shares outstanding			299,895		1

See accompanying notes to the consolidated financial statements 4

1040442 BC Ltd.

Consolidated statement of changes in equity

For the year ended July 31, 2016 and period ended July 31, 2015

(Expressed in Canadian Dollars)

		Share capital			
	Notes	Number of shares	Amount	Deficit	Total
Balance at June 19, 2015		-	$ -	$ -	$ -
Comprehensive loss:					
Loss for the period		-	-	-	-
Transactions with owners, in their capacity as owners, and other transfers:					
Share issued for cash		1	1	-	1
Balance at July 31, 2015		1	$ 1	$ -	$ 1
Comprehensive loss:					
Loss for the year		-	-	(10,682)	(10,682)
Transactions with owners, in their capacity as owners, and other transfers:					
Shares issued for plan of arrangement	5	396,600	7,932	-	7,932
Share cancelled		(1)	(1)	-	(1)
Balance at July 31, 2016		396,600	$ 7,932	$ (10,682)	$ (2,750)

See accompanying notes to the consolidated financial statements

1040442 BC Ltd.
Consolidated statement of cash flows
For the year ended July 31, 2016 and period ended July 31, 2015
(Expressed in Canadian Dollars)

			2016		2015
Operating activities					
Loss for the period		$	(10,682)	$	-
Item not involving cash:					
Transaction fees	3		6,932		-
Changes in non-cash working capital items:					
Accounts payable and accrued liabilities			2,750		-
Net cash flows used in operating activities			(1,000)		-
Financing activities					
Proceeds on issuance of common shares, net	5		1,000		1
Share cancelled			(1)		-
Net cash flows from financing activities			999		1
Change in cash			(1)		1
Cash, beginning			1		-
Cash, ending		$	-	$	1

Supplemental cash flow information

Interest paid in cash during the year	$	-	$	-
Income taxes paid in cash during the year	$	-	$	-

See accompanying notes to the consolidated financial statements

1. Nature and continuance of operations

1040442 BC Ltd. (the "Company") was incorporated on June 19, 2015, under the laws of the province of British Columbia, Canada. The Company is a business development services company. It provides business development services to new and emerging businesses, including making introductions to accountants, lawyers, brokers, transfer agents, and various other professionals and service providers to assist companies in raising capital and going public.

The head office, principal address, records office and registered address of the Company are located at 804 – 750 West Pender Street, Vancouver BC.

These consolidated financial statements have been prepared on the assumption that the Company and its subsidiaries will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent upon the successful results from its business activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and or profits from its business activities.

2. Basis of preparation

Approval of the financial statements

These consolidated financial statements were approved and authorized for issue on March 10, 2017 by the directors of the Company.

Statement of compliance

These financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, or available for sale which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. These financial statements are presented in Canadian dollars unless otherwise noted.

3. Plan of arrangement

In July 2015, the Company entered into an Arrangement Agreement with TNX Maverick Inc. ("TNX) (formerly Kidani Capital Partners Inc.) and 1040678 BC Ltd. ("1040678"). TNX is a reporting issuer in the provinces of Alberta and British Columbia.

In October 2015, the shareholders of the Company, TNX and 1040678, executed the Arrangement as follows:

a) 1040678 acquired all of the issued and outstanding common shares of the Company from TNX for consideration of the Purchase Price of $1,000 on the Closing of the Plan of Arrangement (the "Purchase Shares");

b) 1040678 and the Company exchanged securities on a 1:1 basis such that 396,600 common shares of 1040678 were exchanged by their holders for 396,600 common shares of the Company;

c) TNX and the Company exchanged on a 1:1 basis, such that TNX issued one common shares to the Company and the Company issued one common share to TNX (collectively, the "Exchange Shares"); and

d) The Purchase and the Exchange Shares were then cancelled.

Following completion of the Arrangement Agreement, the Company became a reporting issuer.

A transaction fee of $6,932 was recorded as a result of the Arrangement.

As a result of the Arrangement Agreement, the former shareholders of 1040678, for accounting purposes, are considered to have acquired control of the Company. Accordingly, the Arrangement has been accounted for as a reverse takeover that was not a business combination and effectively a capital transaction of the Company. As 1040678 is deemed to be accounting acquirer for accounting purposes, its assets and liabilities and operations since incorporation on June 19, 2015 are included in the consolidated financial statements at their historical carrying value. The financial statements are a continuation of 1040678 in accordance with IFRS 3, Business Combinations. The Company's results of operations are included from October 29, 2015 onwards.

4. Significant accounting policies

Consolidation

The condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial assets that are measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified.

These condensed consolidated interim financial statements incorporate the financial statements of the Company and its wholly controlled subsidiaries. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The condensed consolidated interim financial statements include the accounts of the Company and its direct wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated.

4. Significant accounting policies (cont'd)

Significant estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make estimates and assumptions concerning the future. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation relate to the fair value measurements for financial instruments, and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates.

Significant judgments

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

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- The Company recognizing a deferred tax asset of $nil on the statement of financial position due to the uncertainty of its realization; and
- the determination of the functional currency of the parent company and its subsidiaries.

Foreign currency translation

The functional currency of each entity is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Canadian dollars which is the company's functional and presentation currency.

<u>Transactions and balances:</u>

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of loss and comprehensive income in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

Share capital

Share capital includes cash consideration received for share issuances, net of share issuance costs. Common shares issued for non-monetary consideration are recorded at their fair market value based upon the trading price of the Company's shares on the exchange on the date of the agreement.

4. *Significant accounting policies (cont'd)*

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of 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 corresponding amount is recorded to reserves. The fair value of options is determined using the Black–Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and other financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary financial assets.

4. **Significant accounting policies (cont'd)**

Financial instruments (cont'd)

Non-derivative financial liabilities (excluding financial guarantees) classified as other financial liabilities are subsequently measured at amortized cost.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

The Company's cash is classified as loans and receivables. The Company's accounts payable and accrued liabilities are classified as other financial liabilities.

Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities;
- Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3: Inputs that are not based on observable market data.

The fair values of the Company's cash, and accounts payable and accrued liabilities approximate their carrying values due to their short term nature.

The Company does not have any derivative financial assets or liabilities.

Impairment of assets

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of income and comprehensive income.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

4. Significant accounting policies (cont'd)

Impairment of assets (cont'd)

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided using the asset and liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRIC that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The Company has not yet assessed the impact, if any, that the new amended standards will have on its consolidated financial statements or whether to early adopt any of the new requirements.

4. Significant accounting policies (cont'd)

New accounting standards issued but not yet effective (cont'd)

The following standards will be effective for annual periods beginning on or after January 1, 2018:

IFRS 15, *Revenue from Contracts with Customers* – In May 2014, the IASB issued IFRS 15 which supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programmes*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC 31, *Revenue – Barter Transactions Involving Advertising Services*. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition. The standard is effective for annual periods beginning on or after January 1, 2017. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

IFRS 9, *Financial Instruments* – The IASB intends to replace IAS 39, *Financial Instruments: Recognition and Measurement* in its entirety with IFRS 9 which is intended to reduce the complexity in the classification and measurement of financial instruments. In February 2014, the IASB tentatively determined that the revised effective date for IFRS 9 would be January 1, 2018. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

The following standard will be effective for annual periods beginning on or after January 1, 2019:

IFRS 16, *Leases* – This standard replaces IAS 17 and applies to the recognition, measurement, presentation and disclosure of leases. The standard provides a single accounting model for lessees. This standard was issued by the IASB in January, 2016 and is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

5. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At July 31, 2016 there were 396,600 issued and fully paid common shares.

Share issuances

On June 19, 2015, the Company issued one common share for gross proceeds of $1. This share was subsequently cancelled prior to October 31, 2015.

During the year ended July 31, 2016, pursuant to the Plan of Arrangement (see Note 3), the Company issued 396,600 for $1,000 and the acquisition of a Letter of Intent valued at $6,932 included as transaction fees on the statement of loss and comprehensive loss.

(Expressed in Canadian Dollars)

6. Income taxes

A reconciliation of income taxes at statutory tax rates is as follows:

		July 31, 2016		July 31, 2015
Loss for the year	$	10,682	$	-
Statutory tax rate		26%		26%
Expected recovery of income taxes		2,777		-
Permanent and other differences		(2,062)		-
Change in benefit not recognized		(715)		-
Deferred income tax recovery	$	-	$	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statements of financial position are as follows:

		July 31, 2016		July 31, 2015
Non-capital losses	$	715	$	-

The Company's non-capital losses of $2,750 (2015: $nil), expire in 2036 if not utilized to reduce income in future periods.

7. Related parties

There were no related party transactions for the year ended July 31, 2016 and period ended July 31, 2015.

There are no amounts owing to related parties as at July 31, 2016 and July 31, 2015.

8. Financial risk and capital management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is not exposed to any significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

(Expressed in Canadian Dollars)

8. Financial risk and capital management (Cont'd)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at July 31, 2016 and July 31, 2015, the Company did not have any cash equivalents or interest bearing debt and is not subject to interest rate risk.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to any externally imposed capital requirements.

Classification of financial instruments

Financial assets included in the consolidated statement of financial position are as follows:

		July 31, 2016		July 31, 2015
Cash	$	-	$	1

Financial liabilities included in the consolidated statement of financial position are as follows:

		July 31, 2016		July 31, 2015
Non-derivative financial liabilities:				
Accounts payable and accrued liabilities	$	2,750	$	-

9. Segmented information

The Company operates in a single reportable operating segment – business development services in Canada.

1040442 BC LTD.

Management's Discussion and Analysis

For the Year Ended July 31, 2016

General

This management discussion and analysis of financial position and results of operations ("MD&A) is prepared as at March 10, 2017 and should be read in conjunction with the audited consolidated financial statements for the year ended July 31, 2016 and related notes of 1040442 BC Ltd. ("1040442" or the "Company"). These audited consolidated financial statements, including comparatives, have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the consolidated financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

Description of Business

The Company is a business development services company. It provides business development services to new and emerging businesses, including making introductions to accountants, lawyers, brokers, transfer agents, and various other professionals and service providers to assist companies in raising capital and going public. The Company is a reporting issuer in the provinces of British Columbia and Alberta.

Plan of Arrangement

In July 2015, the Company entered into an Arrangement Agreement with Kidani Capital Partners Inc. ("Kidani") and 1040678 BC Ltd. ("1040678"). Kidani is a reporting issuer in the provinces of Alberta and British Columbia.

In October 2015, the shareholders of the Company, Kidani and 1040678, executed the Arrangement as follows:

a) 1040678 acquired all of the issued and outstanding common shares of the Company from Kidani for consideration of the Purchase Price of $1,000 on the Closing of the Plan of Arrangement (the "Purchase Shares");

b) 1040678 and the Company exchanged securities on a 1:1 basis such that 396,600 common shares of 1040687 were exchanged by their holders for 396,600 common shares of the Company;

c) Kidani and the Company exchanged on a 1:1 basis, such that Kidani issued one common shares to the Company and the Company issued one common share to Kidani (collectively, the "Exchange Shares"); and

d) The Purchase and the Exchange Shares were then cancelled.

Following completion of the Arrangement Agreement, the Company became a reporting issuer.

As a result of the Arrangement Agreement, the former shareholders of 1040678, for accounting purposes, are considered to have acquired control of the Company. Accordingly, the Arrangement has been accounted for as a reverse takeover that was not a business combination and effectively a capital transaction of the Company. As 1040678 is deemed to be accounting acquirer for accounting purposes, its assets and liabilities and operations since incorporation on June 19, 2015 are included in the consolidated financial statements at their historical carrying value. The consolidated financial statements are a continuation of 1040678 in accordance with IFRS 3, Business Combinations. The Company's results of operations are included from October 29, 2015 onwards.

Results of Operations

For the year ended July 31, 2016, the Company incurred a loss of $10,682. The loss included audit fees of $2,000, office and miscellaneous charges of $1,000, transaction fees of $6,932 and transfer agent costs of $750 on assistance with the plan of arrangements and monthly services.

Selected Quarterly Information

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements. All dollar amounts are in Canadian dollars.

Quarter Ended	Loss for the period	Loss per Share (Basic & Diluted)	Total Assets	Interest Income
July 31, 2016	$1,700	$0.01	$Nil	$Nil
April 30, 2016	$450	$0.00	$Nil	$Nil
January 31, 2016	$450	$0.00	$Nil	$Nil
October 31, 2015	$8,082	$0.98	$Nil	$Nil
July 31, 2015	$Nil	$0.00	$1	$Nil

Financial Condition, Liquidity and Capital Resources

The Company's working capital deficiency position at July 31, 2016 was $2,750 including cash of $Nil. The Company does not currently have an active business generating positive cash flows. The Company is reliant on equity financing or shareholder loans to provide the necessary cash to acquire or participate in an active business. There can be no assurance that equity financings will be available to the Company in the future that will be obtained on terms satisfactory to the Company.

The Company has not entered into any off-balance sheet arrangements.

Related Party Transactions

There were no related party transactions during for the year ended July 31, 2016.

There are no amounts owing to related parties as at July 31, 2016 or July 31, 2015.

Financial Instruments and Risk Management

Fair Values

The fair values of cash and equivalents, receivables and trade payables approximate their book values because of the short-term nature of these instruments.

(a) *Financial Risk Management*

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

(b) *Financial Instrument Risk Exposure*

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit Risk
Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The Company's receivables consist primarily of tax receivables due from federal government agencies. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. Such fluctuations may be significant.

(a) Interest rate risk
The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency risk
The Company is not exposed to foreign currency risk on fluctuations in exchange rates.

(c) Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Contingencies

The Company is not aware of any contingencies or pending legal proceedings as of March 10, 2017

Additional share information

As at July 31, 2016 and the date of this report, the Company had 396,600 common shares outstanding. In addition, the Company has no stock options or warrants outstanding.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.sedar.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

Cautionary Statement on Forward Looking Information

Certain statements contained in this document constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements.

CERTIFICATE OF THE ISSUER

Dated: September 4, 2018

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

"Brent Hahn"

(signed) Brent Hahn
President & Chief Executive Officer

"Barry Hartley"

(signed) Barry Hartley
Chief Financial Officer

On behalf of the Board of Directors

"Brent Hahn"

(signed) Brent Hahn
Director

"Barry Hartley"

(signed) Barry Hartley
Director

"Jesse Hahn"

(signed) Jesse Hahn
Director

"Jim McCrea"

(signed) Jim McCrea
Director

CERTIFICATE OF THE PROMOTER

Dated: September 4, 2018

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

On behalf of the Promoters

"Brent Hahn"	*"Barry Hartley"*
(signed) Brent Hahn Promoter	*(signed)* Barry Hartley Promoter