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

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "U.S. Securities Act") and, may not be reoffered, resold or transferred to, or for the account or benefit, of a U.S. Person (as that term is defined in Regulation S of the U.S. Securities Act) except pursuant to an effective registration statement under the U.S. Securities Act, and any applicable state securities laws, or pursuant to an available exemption from the registration requirements from the U.S. Securities Act and any applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities offered hereby in the United States to, or for the account or benefit, of a U.S. Person. See "Plan of Distribution".

PROSPECTUS
INITIAL PUBLIC OFFERING

September 8, 2017

BLACK TUSK RESOURCES INC.

Suite 500, 666 Burrard Street
Vancouver, B.C. V6C 3P6
(647) 838-8577

Minimum of 2,000,000 Common Shares and Up to a Maximum of 4,000,000 Common Shares

Price: $0.10 per Common Share

Minimum of $200,000 and up to a Maximum of $400,000

Black Tusk Resources Inc. (the "Company") is offering (the "Offering") to purchasers resident in British Columbia, and elsewhere permitted by applicable law, through its agent, Mackie Research Capital Corporation (the "Agent") on a commercially reasonable efforts basis, a minimum of 2,000,000 and a maximum of 4,000,000 common shares (the "Common Shares") of the Company at a price of $0.10 per Common Share for minimum gross proceeds of $200,000 and maximum gross proceeds of $400,000. The offering price was determined by negotiation between the Agent and the Company in accordance with applicable policies of the Canadian Securities Exchange (the "Exchange"). See "Plan of Distribution".

	Price to Public(1)	Underwriting Discounts or Commission(1)	Net Proceeds to the Company(2)
Per Common Share	$0.10	$0.008	$0.092
Minimum Offering	$200,000	$16,000	$184,000
Maximum Offering	$400,000	$32,000	$368,000

Notes:

(1) The Agent shall receive a cash commission equal to 8% of the aggregate gross proceeds of the Offering and a non-transferable option (the "Agent's Option") to purchase up to that number of Common Shares in the capital of the Company equal to 8% of the aggregate number of Common Shares sold under this Offering at a price of $0.10 per Common Share for a period of twenty-four months from the date of Closing (as defined herein). The Agent's Option will be qualified under this prospectus. In addition, the Company has agreed to reimburse the Agent for all reasonable expenses incurred in connection with this Offering and has provided a retainer of $10,000, from which those expenses are to be deducted with the balance to be paid at Closing, and pay the Agent a non-refundable work fee of $15,000 plus applicable taxes (the "Work Fee"). See "Plan of Distribution".

(2) Before deducting the balance of the costs of this issue estimated at $60,000, which includes the Work Fee, legal and audit fees and other expenses of the Company, the Agent's expenses including its legal fees, the listing fee payable to the Exchange and the filing fees payable to the British Columbia Securities Commission (the "BCSC"). See "Use of Proceeds".

The Agent (including any registered sub-agents who assist the Agent in the distribution of the Common Shares), as exclusive agent for the purposes of this Offering, conditionally offers on a commercially reasonable efforts basis the Common Shares, and if, as and when issued and delivered by the Company and accepted by the Agent in accordance with the terms and conditions contained in the agency agreement (the "Agency Agreement") dated September 8, 2017 between the Company and the Agent and subject to the approval of certain legal matters on behalf of the Company by Northwest Law Group and on behalf of the Agent by Miller Thomson LLP. See "Plan of Distribution".

Subscriptions for the Common Shares will be received subject to rejection or allotment in whole or in part by the Company and the right is reserved by the Company to close the subscription books at any time without notice. It is expected that the Closing of the offering will occur on a date agreed upon by the Company and the Agent, but not later than the date that is 90 days after a receipt is issued for the final prospectus or if a receipt has been issued for an amendment to the final prospectus, within 90 days of issuance of such receipt and in any event not later than 180 days from the date of receipt of the final prospectus. It is expected that the Common Shares will be delivered in electronic book entry form through CDS Clearing and Depository Services Inc. ("CDS") or its nominee upon Closing unless the Agent elects for physical share certificates which would be available for delivery upon Closing. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased.

The completion of the Offering is subject to a minimum subscription of Common Shares for aggregate gross proceeds of $200,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the minimum subscription of $200,000 has been raised. In the event that the minimum subscription is not attained by the end of the period of the Offering, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction.

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".

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

As at the date of this prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, 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).

An investment in the Common Shares should be considered highly speculative due to the nature of the Company's business, its present stage of development and other risk factors. Investments in natural resource issuers involve a significant degree of risk. The degree of risk increases substantially where the issuer's properties are in exploration as opposed to the development stage. The Company's property is in the exploration stage and is without a known body of commercial ore. Investors should not invest any funds in this Offering unless they can afford to lose their entire investment. See "Risk Factors".

Investors should consider an investment in the securities of the Company to be speculative and should review the risk factors outlined on page 44 of this prospectus.

The Company is not a related or connected issuer to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*). See "Relationship between the Company and Agent".

The Agent's position is as follows:

Agent's Position	Maximum Size or Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price or Average Acquisition Price
Agent's Option(1)	320,000 Common Shares(2)	24 months from the Closing	$0.10

Note:
(1) The Agent's Option is qualified under this prospectus. See "Plan of Distribution".
(2) Assuming completion of the maximum Offering.

No person is authorized by the Company or the Agent to provide any information or to make any representations other than those contained in this prospectus in connection with the issue and sale of the securities offered pursuant to this prospectus.

Mackie Research Capital Corporation
Suite 1920, 1075 West Georgia Street
Vancouver, BC V6E 3C9
Telephone: (778) 373-4100
Facsimile: (778) 373-4101

TABLE OF CONTENTS

GLOSSARY OF DEFINED TERMS

The following definitions and terms apply throughout this document unless the context otherwise requires. Expressions used in this prospectus and other terms and expressions may be defined throughout this prospectus.

"Agency Agreement"	the agency agreement dated September 8, 2017 between the Company and the Agent, providing that the Agent, on behalf of the Company, conditionally offers the Common Shares, on a commercially reasonable efforts basis.
"Agent"	Mackie Research Capital Corporation.
"Agent's Commission"	the cash commission equal to 8% of the total gross proceeds of the Offering payable to the Agent on Closing of the Offering.
"Agent's Option"	the non-transferable option to be granted to the Agent or its sub-agents, if any, to purchase up to a number of Common Shares equal to 8% of the aggregate number of Common Shares sold under the Offering at a price of $0.10 per Common Share, exercisable at any time up to the close of business 24 months from the Closing.
"Articles"	the articles of the Company.
"BCA"	the *Business Corporations Act* (British Columbia).
"BCSC"	The British Columbia Securities Commission.
"CDS"	CDS Clearing and Depository Services Inc.
"Closing"	means closing of the Offering.
"Common Shares"	the common shares in the capital of the Company without par value.
"Company"	Black Tusk Resources Inc.
"Directors" or "Board" or "Board of Directors"	the board of directors of the Company.
"Goldsmith Option Agreement"	the agreement dated November 30, 2016, as amended June 14, 2017, between the Company and the Optionors pursuant to which the Company has the right to acquire from the Optionors up to a one hundred percent (100%) undivided interest in the Goldsmith Property subject to the Royalty.
"Goldsmith Property"	the four mineral claims covering approximately 370.6 hectares, located approximately 65 km north of Kaslo, BC, in the Slocan Mining Division.
"Escrow Agreement"	the escrow agreement dated September 6, 2017 among the Company, National Issuer Services Ltd. and the holders of the escrowed securities.
"Exchange"	the Canadian Securities Exchange.
"IFRS"	International Financial Reporting Standards.
"Listing Date"	the date on which the Common Shares are listed for trading on the Exchange.
"Mineral Tenure Act"	the *Mineral Tenure Act* (British Columbia) as amended.
"NI 43-101"	National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.
"NP 46-201"	National Policy 46-201 – *Escrow for Initial Public Offerings*.
"Offering"	the offering of a minimum of 2,000,000 and a maximum of 4,000,000 Common Shares at a price of $0.10 per Common Share pursuant to this prospectus.
"Optionors"	means John Denny and Robert Denny.
"Qualified Person"	Linda Dandy, P. Geo. author of the Technical Report.
"Royalty"	The 2% net smelter royalty retained by the Optionors on the Goldsmith Property.
"SEDAR"	System for Electronic Document Analysis and Retrieval.
"Stock Option Plan"	The stock option plan adopted by the Directors on May 8, 2017.
"Technical Report"	the report titled "Technical Report on the Goldsmith Property", dated March 20, 2017, which was prepared by the Qualified Person, under the guidelines of NI 43-101.
"Work Fee"	means the non-refundable $15,000 + GST fee payable to the Agent.

GLOSSARY OF GEOLOGICAL DEFINED TERMS

The following definitions and terms apply throughout this document unless the context otherwise requires:

Conversion Factors

To Convert From	To	Multiply By
Feet	Metres	0.305
Metres	Feet	3.281
Miles	Kilometres ("km")	1.609
Kilometres	Miles	0.6214
Acres	Hectares ("ha")	0.405
Hectares	Acres	2.471
Grams	Ounces (Troy)	0.03215
Grams/Tonne	Ounces (Troy)/Short Ton	0.02917
Ounces (Troy)/Short Ton	Grams/tonne	34.2857
Tonnes (metric)	Short Tons	1.1023

"Adit" An adit (from Latin aditus, entrance) is an entrance to an underground mine which is horizontal or nearly horizontal, by which the mine can be entered, drained of water, ventilated, and minerals extracted at the lowest convenient level. Adits are also used in mineral exploration.

"Arenaceous" Consisting of sand or sandlike particles.

"Argillite" A sedimentary rock that does not split easily, formed from consolidated clay.

"Ag" Silver.

"As" Arsenic.

"Axial" The plane or surface that divides the fold as symmetrically as possible.

"Au" Gold.

"Carbonate" A carbonate is a salt of carbonic acid.

"Cambrian" The first geological period of the Paleozoic Era, of the Phanerozoic Eon. The Cambrian lasted 55.6 million years from the end of the preceding Ediacaran Period 541 million years ago to the beginning of the Ordovician Period 485.4 million years ago.

"Chip Sample" A regular series of ore chips or rock chips taken either in a continuous line across an exposure or at uniformly spaced intervals.

"Chlorite" A very common green mica mineral, usually found as a low grade hydrothermal or metamorphic alteration product.

"Comby" Resembling a comb in structure.

"Cu" Copper.

"Diabase" A dark-colored igneous rock. It is compositionally equivalent to gabbro and basalt but texturally between them.

"Devonian" Geologic period and system of the Paleozoic, spanning 60 million years from the end of the Silurian, 419.2 million years ago, to the beginning of the Carboniferous, 358.9 million years ago.

"Fault" A planar fracture or discontinuity in a volume of rock, across which there has been displacement.

"Flow" A type of landslide in which the distribution of particle velocities resembles that of a viscous fluid is called a flow.

"g/t" Grams per tonne.

"Galena" The natural mineral form of lead sulfide. It is the most important ore of lead and an important source of silver.

"Grab Sample" Several rock pieces collected to represent a certain lithology, mineral type or alteration style. Used in connection with examination of the characteristic minerals in the deposit rather than for valuation.

"Granodiorite" a variety of coarse grained plutonic rock similar to granite which mineralogically are composed predominately of feldspar and quartz.

"Graphite" A hexagonal, black-grey soft native carbon mineral. Graphite conducts electricity well, is immune to most acids and is extremely refractory.

“Greenschist”	Metamorphic rocks that formed under the lowest temperatures and pressures usually produced by regional metamorphism, commonly having an abundance of green minerals.
“Grit”	A hard, coarse-grained, siliceous sandstone.
“Hydrothermal”	Relating to or denoting the action of heated water in the earth's crust.
“ICP-ES”	Inductively Coupled Plasma Emission Spectrometer. A type of emission spectrometry used to conduct major element and some trace element analyses of rocks, sediments, and water samples.
“ICP-MS”	Inductively coupled plasma mass spectrometry. A type of mass spectrometry which is capable of detecting metals and several non-metals at concentrations as low as one part in 10^{15} (part per quadrillion, ppq) on non-interfered low-background isotopes.
“Isoclinal”	Denoting a fold of strata so acute that the two limbs are parallel.
“LiDar”	Light Detection and Ranging. A remote sensing method that uses light in the form of a pulsed laser to measure ranges (variable distances) to the Earth, used to produce detailed ground/base maps.
“Limestone”	A class of rocks containing at least 80% of the carbonates of calcium or magnesium.
“Lithology”	A description of a rock’s physical characteristics visible at outcrop, in hand or core samples or with low magnification microscopy, such as colour, texture, grain size, or composition.
“Mafic”	An adjective describing an igneous rock consisting largely of dark coloured minerals such as magnesium and iron.
“NQ”	Common drill core size of approximately 47.6 mm in diameter.
“Nugget Effect” or “Nuggety”	Erratic precious metal assays resulting from the analysis of samples that may not adequately represent the composition of the bulk material tested due to non-uniform distribution of coarse gold grains in the material to be sampled.
“Ore”	The naturally occurring material from which a mineral or minerals of economic value can be extracted profitably or to satisfy social or political objectives.
“Orogenic”	The process of mountain formation, especially by a folding and faulting of the Earth's crust.
“Orogenic Gold Deposits”	Gold-bearing hydrothermal quartz veins that are emplaced over a unique depth range, with gold deposition from 15–20 km to the near surface environment.
“Outcrop”	A visible exposure of bedrock or ancient superficial deposits on the surface of the Earth.
“ppb”	Parts per billion.
“ppm”	Parts per million.
“Paleozoic”	A major interval of geologic time that began 541 million years ago with the Cambrian explosion, an extraordinary diversification of marine animals, and ended about 252 million years ago with the end-Permian extinction, the greatest extinction event in Earth history.
“Pb”	Lead.
“Phyllite”	Fine-grained metamorphic rock formed by the reconstitution of fine-grained, parent sedimentary rocks, such as mudstones or shale.
“Quartz”	One of the most abundant minerals in the earth’s crust, whose composition is silicon dioxide.
“Rim”	A mineral shell enclosing another mineral in an igneous rock, formed by reaction of the interned mineral with the surrounding rock.
“Sedimentary”	Types of rock that are formed by the deposition and subsequent cementation of that material at the Earth's surface and within bodies of water.
“Schist”	A strongly foliated crystalline rock, formed by dynamic metamorphism, that can be readily split into thin flakes or slabs due to the well-developed parallelism of more than 50% of the minerals present, particularly those of lamellar or elongate prismatic habit.
“Sericite”	A fine-grained fibrous variety of muscovite formed by the alteration of feldspar, found chiefly in schist and in hydrothermally altered rock.
“Shale”	A fine-grained, clastic sedimentary rock composed of mud that is a mix of flakes of clay minerals and tiny fragments (silt-sized particles) of other minerals, especially quartz and calcite.
“Siltstone”	A fine-grained sedimentary rock consisting of consolidated silt.
“Soil Sampling”	Taking samples of surficial unconsolidated material, between the humus layer and bedrock.
“Stockwork”	A complex system of structurally controlled or randomly oriented veins.
“Stratigraphy”	The study of stratified rocks, especially their sequence in time and correlation in different areas.
“Survey”	The orderly and exacting process of examining and delineating the physical or chemical characteristics of the Earth's surface, subsurface, or internal constitution by topographic, geologic, geophysical, or geochemical measurements.

"Tuff"	A general term for all consolidated pyroclastic rocks generally containing fragments of less than 2mm diameter. Often well bedded when deposited in water.
"Vein"	A tabular or sheet-like body of minerals which has been intruded into a joint or fissure in rocks. Most veins are directly or indirectly related to solutions formed by igneous events and have main constituents of quartz and/or carbonate.
"VLF-EM"	Very low frequency electromagnetic method, which enables surveying without contact with the ground, is suitable for ground surveys in a wide area and has been used in mapping geology for decades. The survey identifies conductive signatures in the ground.
"Volcanic"	A rock formed from magma erupted from a volcano.
"Vug"	A cavity in rock, sometimes lined with mineral crystals.

CURRENCY

All dollar amounts in this prospectus are in Canadian dollars unless otherwise indicated, and all references to $ in this prospectus are to Canadian dollars unless otherwise indicated.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its projects, the future price of gold, silver or other metal prices, exploration expenditures, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and regulatory matters.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, and competitive uncertainties; lack of production; limited operating history of the Company; the actual results of current exploration activities; ability to obtain prospecting licenses or permits; aboriginal land claims; proper title to the claim that comprises the Goldsmith Property; ability to retain qualified personnel; the ability to obtain adequate financing for exploration and development; volatility of commodity prices; environmental risks of mining operations; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavourable operating conditions and losses as well as those factors discussed in the section entitled "Risk Factors" in this prospectus.

Forward looking statement are based on a number of material factors and assumptions, including the determination of mineral reserves or resources, if any, the results of exploration and drilling activities, the availability and final receipt of required approvals, licenses and permits, that sufficient working capital is available to complete proposed exploration and drilling activities, that contracted parties provide goods and/or services on the agreed time frames, the equipment necessary for exploration is available as scheduled and does not incur unforeseen break downs, that no labour shortages or delays are incurred and that no unusual geological or technical problems occur. While the Company considers these assumptions may be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this prospectus. See "Risk Factors".

These forward-looking statements are made as of the date of this prospectus. Following Closing of the Offering and listing on the Exchange, the Company intends to discuss in its quarterly and annual reports referred to as the Company's Management's Discussion and Analysis documents, any events and circumstances that occurred during the period to which such document relates that are reasonably likely to cause actual events or circumstances to differ materially from those disclosed in this prospectus. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. The Company will file an amended prospectus if material changes occur between the date of this prospectus and the Closing of the Offering.

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

PROSPECTUS SUMMARY

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

The Company

Black Tusk Resources Inc. (previously defined as the "Company") was incorporated in British Columbia on November 18, 2016. To date, the Company has been engaged in the acquisition of its mineral property located in British Columbia, Canada. Pursuant to the Goldsmith Option Agreement, the Company currently has an option to acquire a one hundred percent (100%) undivided interest in the Goldsmith Property situated approximately 65 kilometres north of the City of Kaslo, British Columbia.

The Goldsmith Property is comprised of four mineral tenures covering approximately 370.6 hectares and is located in the Slocan Mining Division of British Columbia. See "Business of the Company" and "Goldsmith Property".

The Offering

Offering:	The Company is offering a minimum of 2,000,000 and a maximum of 4,000,000 Common Shares at a price of $0.10 per Common Share for minimum gross proceeds of $200,000 and maximum gross proceeds of $400,000. The prospectus qualifies the distribution of the Common Shares and the Agent's Option. See "Plan of Distribution"
Agent's Commission:	Under the terms of the Agency Agreement, the Company will pay the Agent a cash commission (previously defined as the "Agent's Commission") equal to 8% of the total gross proceeds of the Offering. In addition to the Agent's Commission, the Company will issue to the Agent a non-transferable option (previously defined as the "Agent's Option") to purchase Common Shares equal to 8% of the aggregate number of Common Shares sold under the Offering at a price of $0.10 per Common Share for a period of 24 months following the Closing. The Company has also agreed to pay to the Agent a Work Fee of $15,000, plus applicable taxes and pay for all reasonable expenses of the Agent in connection with the Offering. See "Plan of Distribution".
Use of Proceeds:	The estimated net proceeds of the minimum Offering, after deducting the estimated balance of the expenses of the Offering of $60,000 and the Agent's Commission of $16,000, will be $124,000 and will be used to implement Phase 1 of the recommended work program on the Goldsmith Property, to pay the Optionors the next installment pursuant to the Goldsmith Option Agreement and for general working capital. The estimated net proceeds of the maximum Offering, after deducting the estimated balance of the expenses of the Offering of $60,000 and the Agent's Commission of $32,000, will be $308,000 and will be used in the same manner as in the event of the minimum Offering with an additional $100,000 allocated towards Phase 2 of its exploration program and an additional $20,000 allocated towards a further installment pursuant to the Goldsmith Option Agreement. As at August 31, 2017, the Company had a working capital surplus of $82,040. Accordingly, the Company anticipates on having minimum available funds of approximately $206,040 and maximum available funds of approximately $390,040 following Closing of the Offering. See "Use of Proceeds".

Risk Factors

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Company, including risks related to: (i) the lack of market through which the Common Shares may be sold, (ii) negative cash flows from operating activities, (iii) the lack of production on the Company's Goldsmith Property, (iv) the Company's limited operating history and lack of positive cash flow, (v) no known economic mineral deposit on the Goldsmith Property and the proposed exploration program is exploratory in nature, (vi) the mineral claims comprising the Goldsmith Property may be withdrawn or subject to limitation by regulatory authorities, (vii) aboriginal land claims affecting the Goldsmith Property, (viii) assurance of title to Goldsmith Property, (ix) competing with other mining companies, (x) the Company's ability to retain qualified personnel, (xi) the volatility of commodity prices, (xii) the exploration program may have a negative environmental impact, (xiii) uninsurable hazards, (xiv) health and safety risks, (xv) additional requirements for capital, and (xvi) smaller companies can be highly volatile. See "Risk Factors".

Selected Financial Information

The following table summarizes selected financial information for the period from inception on November 18, 2016 to April 30, 2017 and should be read in conjunction with the audited financial statements for the period from inception on November 18, 2016 to April 30, 2017 and "Management's Discussion and Analysis", as included elsewhere in this prospectus.

	Period from inception (November 18, 2016) to April 30, 2017 (audited)
Revenue	$ -
Net income (Loss)	(98,182)
Income (Loss) per share (basic and diluted)	(0.02)
Working Capital Surplus	140,124
Assets	
Current assets	149,885
Exploration and evaluation assets	81,815
Total Assets	231,700
Liabilities	
Current liabilities	9,761
Shareholders' Equity	221,939
Total Liabilities and Shareholders' Equity	$ 231,700

CORPORATE STRUCTURE

The Company was incorporated under the *Business Corporations Act* (British Columbia) on November 18, 2016 with the name Black Tusk Resources Inc.

The Company's head office is located at Suite 500, 666 Burrard Street, Vancouver, B.C. V6C 3P6 and its registered office is located at Suite 704, 595 Howe Street, Vancouver B.C. V6C 2T5.

The Company does not have any subsidiaries.

BUSINESS OF THE COMPANY

Description of Business

The Company is engaged in the acquisition and exploration of mineral properties. The Company currently has an option to acquire a one hundred percent (100%) undivided interest in the Goldsmith Property. The Goldsmith Property is comprised of four mineral tenures covering approximately 370.6 hectares located approximately 65 kilometres north of the City of Kaslo, BC in the Slocan Mining Division of British Columbia. The Company's exploration program will be primarily focused on gold exploration.

Three Year History

Since incorporation on November 18, 2016, the Company's activities have focused on the acquisition and exploration of the Goldsmith Property.

<u>Acquisition of the Goldsmith Property</u>

On November 30, 2016, the Company entered into the Goldsmith Option Agreement, as amended, with the Optionors whereby the Optionors granted the Company an option to acquire a 100% undivided interest in the Goldsmith Property. In order for the Company to exercise its option, it will be required to:

(a) pay to the Optionors an aggregate of $100,000 as follows:

- (i) $5,000 upon execution of the Goldsmith Option Agreement (which amount has been paid);
- (ii) a further $7,000 on or before the closing date of the Company's initial public offering;
- (iii) a further $13,000 on or before November 30, 2017;
- (iv) a further $20,000 on or before November 30, 2018;
- (v) a further $25,000 on or before November 30, 2019; and
- (vi) a further $30,000 on or before November 30, 2020.

(b) issue to the Optionors an aggregate of 400,000 Common Shares as follows:

- (i) 200,000 Common Shares on or before the closing date of the Company's initial public offering; and
- (ii) a further 200,000 Common Shares on or before November 30, 2020.

The Company will also be responsible to make all government payments in order to maintain the mineral claims in good standing. The Optionors will also retain a 2% net smelter return royalty (the "Royalty") on the Goldsmith Property. The Company may purchase the first 1% of the Royalty by paying the Optionors $500,000.

Government Mining Regulations

The Company will be required to comply with all regulations, rules and directives of governmental authorities and agencies applicable to the exploration of minerals in the Province of British Columbia. The main agency that governs the exploration of minerals in the Province of British Columbia, Canada, is the Ministry of Energy, Mines and Petroleum Resources ("Ministry of Mines"). The Ministry of Mines manages the development of British Columbia's mineral resources, and implements policies and programs respecting their development while protecting the environment. In addition, the Ministry of Mines regulates and inspects the exploration and mineral production industries in British Columbia to protect workers, the public and the environment.

The material legislation applicable to the Company is the *Mineral Tenure Act* (British Columbia), as amended (the "Mineral Tenure Act"), administered by the Mineral Titles Branch of the Ministry of Mines, and the *Mines Act* (British Columbia) (the "Mines Act"), as well as the Health, Safety and Reclamation Code (British Columbia) (the "Health Safety and Reclamation Code"). The Mineral Tenure Act and its regulations govern the procedures involved in the location, recording and maintenance of mineral titles in British Columbia. The Mineral Tenure Act also governs the issuance of leases which are long term entitlements to minerals.

All mineral exploration activities carried out on a mineral claims or mining lease in British Columbia must be in compliance with the Mines Act. The Mines Act applies to all mines during exploration, development, construction, production, closure, reclamation and abandonment. It outlines the powers of the Chief Inspector of Mines to inspect mines, the procedures for obtaining permits to commence work in, on or about a mine and other procedures to be observed at a mine. Additionally, the provisions of the Health, Safety and Reclamation Code for mines in British Columbia contain standards for employment, occupational health and safety, accident investigation, work place conditions, protective equipment, training programs and site supervision.

Additional approvals and authorizations may be required from other government agencies, depending upon the nature and scope of the proposed exploration program. If the exploration activities require the falling of timber, then either a free use permit or a license to cut must be issued by the Ministry of Forests Land and Natural Resource Operations. Items such as waste approvals may be required from the Ministry of Environment if the proposed exploration activities are significantly large enough to warrant them. Waste approvals refer to the disposal of rock materials removed from the earth which must be reclaimed. An environmental impact statement may be required.

Employees

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

Trends

There is significant competition for the acquisition of promising properties, as well as for hiring qualified personnel. The Company'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 Company 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 Company, 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 Company for the current fiscal year. See "Risk Factors".

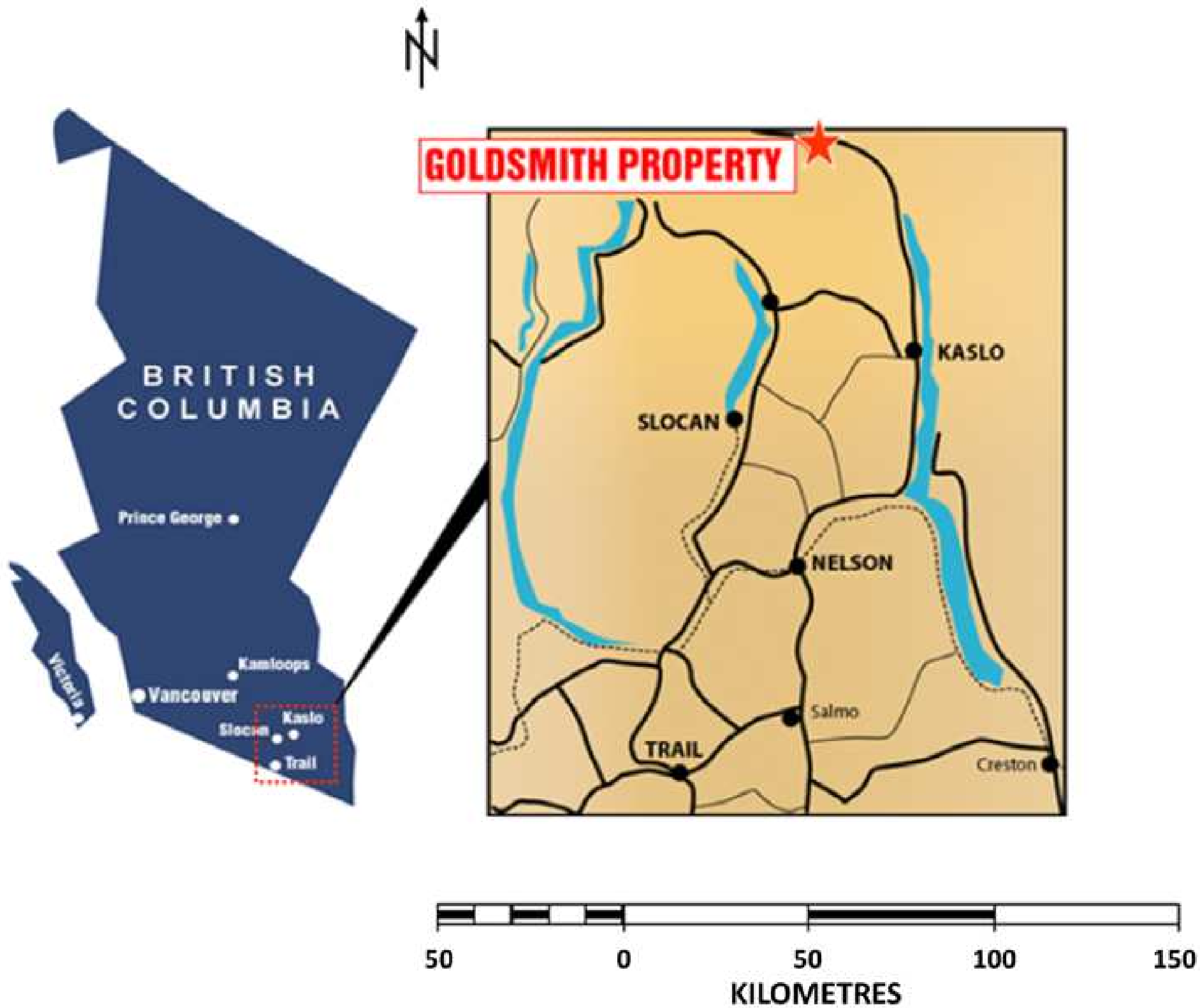
GOLDSMITH PROPERTY

The following represents information summarized from the Technical Report on the Goldsmith Property dated March 20, 2017 (previously defined as "Technical Report"), prepared by Linda Dandy, P. Geo. (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 expected to be made available under the Company's profile on the SEDAR website at www.sedar.com.

Property Description and Location

The Goldsmith Property consists of 4 unpatented un-surveyed mining claims totaling approximately 370.6 hectares and is located in the Slocan Mining Division of British Columbia. The Goldsmith Property is situated approximately 65 kilometres north of the City of Kaslo, British Columbia.

Goldsmith Property Map



On November 30, 2016, the Company entered into the Goldsmith Option Agreement, as amended, with the Optionors whereby the Optionors granted the Company an option to acquire an undivided 100% interest in the Goldsmith Property. In order for the Company to exercise its option, it will be required to:

(a) pay to the Optionors an aggregate of $100,000 as follows:

(i) $5,000 upon execution of the Goldsmith Option Agreement (which amount has been paid);

(ii) a further $7,000 on or before the closing date of the Company's initial public offering;

(iii) a further $13,000 on or before November 30, 2017;

(iv) a further $20,000 on or before November 30, 2018;

(v) a further $25,000 on or before November 30, 2019; and

(vi) a further $30,000 on or before November 30, 2020;

(b) issue to the Optionors an aggregate of 400,000 Common Shares as follows:

(i) 200,000 Common Shares on or before the closing date of the Company's initial public offering; and

(ii) a further 200,000 Common Shares on or before November 30, 2020.

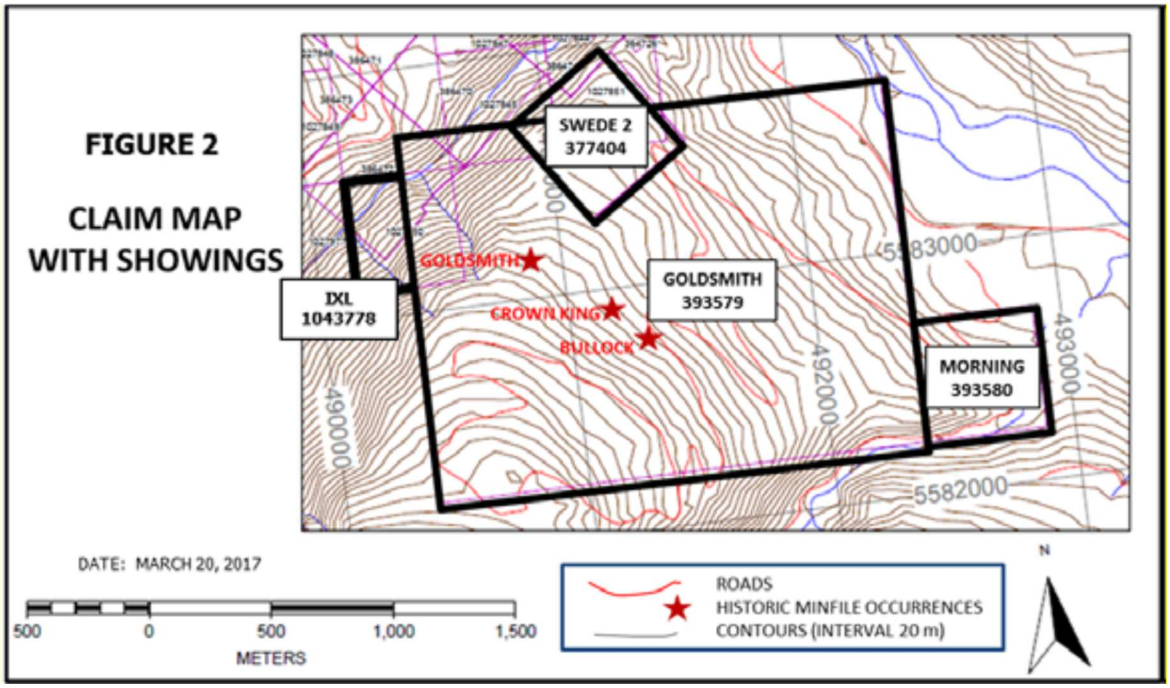
The Company will also be responsible to make all government payments in order to maintain the mineral claims in good standing. The Optionors will also retain a 2% net smelter return royalty (the "Royalty") on the Goldsmith Property. The Company may purchase the first 1% of the Royalty by paying the Optionors $500,000.

To date, the Company has incurred $76,815 in exploration expenditures on the Goldsmith Property.

In order for tenures to remain in good standing in BC, expenditures are required in the amounts of $5.00 per hectare per year during the initial two year period, $10.00 per hectare per year during years three and four, $15.00 per hectare per year during years five and six and $20.00 per hectare per year for each year thereafter. In the case of the Goldsmith Property, the annual work expenditures requirement will be the responsibility of the Company. If qualifying expenditures are insufficient, tenures may be maintained by payment of cash in lieu of work. Work expenditures can be applied as assessment work to a maximum of ten years. The claims that comprise the Goldsmith Property are in good standing as set forth below and will be maintained in good standing thereafter by application of exploration expenditures incurred during future work programs or by payment of appropriate cash in lieu of work.

Tenure	Claim Name	Good To Date	Area (ha)
393579	GOLDSMITH	2027/Apr/21	300
393580	MORNING	2027/Apr/21	25
377404	SWEDE 2	2027/Apr/21	25
1043778	IXL	2027/Apr/21	20.6

Goldsmith Tenure Map



Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

Access to the Goldsmith Property is via Highway 33, north from Kaslo, BC for 65 kilometres, then west on Cascade Creek Forest Service Road. The Cascade Creek Road and a number of 4x4 roads run through the claims. Highway 33 crosses the northeast corner of the claim block.

Local Resources and Infrastructure

The small lumber and mining communities of Meadow Creek (24 kilometres south) and Trout Lake (40 kilometres north) have limited amenities. Meals and accommodation can be had seasonally both places along with other limited supplies. The towns of Kaslo, Nelson, Castlegar, Trail and Revelstoke all lie within 200 kilometres of the Goldsmith Property and have good infrastructure and work force to service the mining industry. These towns are all accessible from the Property via year round highways.

The claims lie on crown land and the author sees no reason to expect surface rights not to be granted for mining operations if the project reaches the feasibility stage. The nearest connection to the British Columbia power grid is 14.5 kilometres south of the Property. Water, for mining purposes, is abundant in Poplar and Cascade Creeks and the Lardeau River. The claims have sufficient area for associated mining infrastructure, if and when required.

Climate and Physiography

Climate data was obtained from the Kaslo weather station and averaged from 1981 to 2010. Summer temperatures (July and August) average 18ºC with highs of 25ºC. Winter temperatures (December and January) average -2ºC with lows of -5ºC. The area receives 886 millimetres of precipitation annually with 187 centimetres of snowfall. One can expect snow on the ground from November through March, allowing for a long seasonal operating window. With this weather data being from Kaslo, located along the moderating influence of Kootenay Lake, one can expect the temperature variables and snowfall values to be greater at Poplar Creek.

The Goldsmith Property is located in an area of rugged terrain. The claims lie on the west slope of the moderate to steep sided Lardeau River valley and south of the deeply incised Poplar Creek valley. Elevations on the Property range from 655 metres along the Lardeau River valley to 1,100 metres at the Goldsmith showings. Outcrop is moderately abundant on steep slopes but is sparse on moderate slopes such as at the Bullock workings.

Several portions of the claim area have been recently logged, with the remainder being covered with first and second growth forest consisting of balsam, fir, spruce, hemlock, cedar and occasional white pine and larch. Thick growths of alder and devil's club are found along creek gullies and in shady, damp areas.

History

A gold prospecting rush passed through the Lardeau River valley at the turn of the century, stopping briefly at Poplar Creek between 1898 and 1903. Exploration, consisting of open cuts and driving of numerous short adits continued intermittently until about 1930. Essentially no further work had been done until 1980 when the claims were optioned by Western Mines Ltd./Armco Mineral Exploration Ltd./Westmin Resources Ltd. ("Westmin"). Westmin conducted small soil sampling, geological mapping, trenching and diamond drilling programs on the Property for two years. The next exploration programs of any significance occurred from 2003 to 2008 when the Property was under option by Cream Minerals Ltd. ("Cream"). Cream completed soil sampling, prospecting and rock sampling, airborne geophysics (magnetics and electromagnetics), mapping and trenching.

Historical reports from the various workings on the Goldsmith Property can be found in Geological Survey of Canada Reports, British Columbia Minister of Mines Annual Reports, British Columbia Ministry of Energy and Mines Minfile listings and British Columba Assessment Report Index.

The Goldsmith, Crown King and Bullock workings trend along a relatively linear structural corridor trending from northwest to southeast across the western side of the claim block. Initially, historic workings concentrated on the Goldsmith (also known as the Swede) and then later on the Bullock. Between the 2 zones, at one point, a claim known as the Crown King was located. All 3 of these zones are likely related to the same mineralizing event.

In 1980 and 1981, Westmin conducted assessment work on the Property including geology, soil geochemistry, trenching and 6 short diamond drill holes totalling 409 metres. In 1981, Westmin completed generalized geological mapping over a grid covering the Bullock and Goldsmith zones. In 1981, Westmin diamond drilled 6 NQ size holes totalling 409 metres on the Goldsmith Property. The holes were all drilled in the vicinity of the historic Swede/Goldsmith vein workings to follow up surface sampling and trenching;

No gold values of significance were returned from samples taken from these drill holes. It must be noted that a limited number of samples were collected from each drill hole (i.e. less than half of the hole depths were sampled). In gold systems, particularly when testing for bulk tonnage potential, it is standard to sample entire core lengths.

Since 1982, when Westmin dropped their option on the Property, it was held by local prospectors. Only limited, predominantly physical work was conducted on the Property until 2003 when it was optioned by Cream.

In 2003 and 2004, Cream Minerals conducted exploration programs consisting of locating and sampling many of the historic workings in order to confirm the existence of the reported high grade gold mineralization. From 2004 to 2006, soil sampling was conducted over the western portion of the Property. An airborne magnetic and electromagnetic survey was completed in 2006. In 2008, nine excavator trenches were put in over the Bullock and Goldsmith areas.

The only past production documented is from 1904, when 8 tonnes were shipped from the Swede/Goldsmith area by Great Northern Mines. This returned 778 grams of gold, correlating to a value of 97.25 g/t gold. It can be assumed that this "ore" was hand sorted and selectively high graded.

The work programs carried out by Westmin and Cream were supervised by the author (in Cream's instance) or by other well respected (and known to the author) geologists. There is no reason to doubt the veracity of results and conclusions from historic reporting by Westmin or Cream.

In general, results from the exploration programs show that high grade gold assays have been returned from quartz veins and vein zones in the area of historic workings. The gold values are spotty and erratic as is common in systems exhibiting "nugget effect".

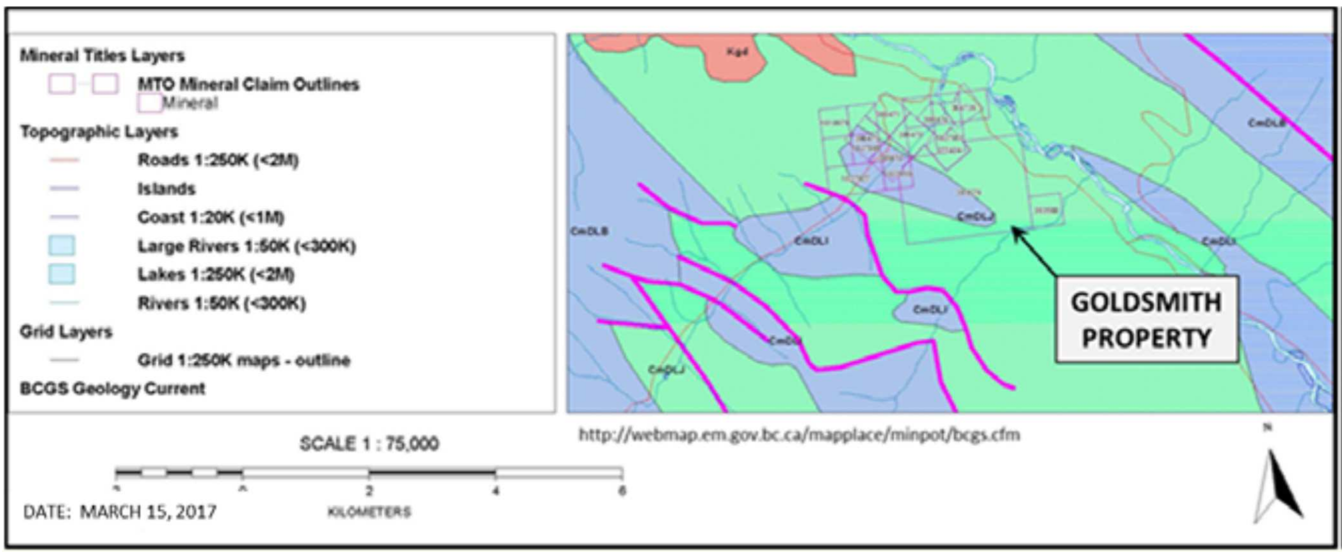
Geological Setting and Mineralization

Regional Geology

The Goldsmith Property is underlain by lower Paleozoic (Cambrian to Devonian) volcanic and sedimentary strata of the Lardeau Group that extends at least 250 kilometres along the Kootenay Arc from the United States border to north of Revelstoke, British Columbia.

The strata have undergone polyphase deformation including an early isoclinal phase of folding and a younger open to tight phase and greenschist grade (biotite zone) metamorphism. The lowermost Index Formation comprises limy green phyllite (of volcanic origin), phyllitic and arenaceous limestone, grey and light green phyllite (volcanic derived sedimentary strata) and quartz grit. The Jowett Formation is a greenstone (basaltic volcanic rocks) unit and is overlain by grey and green phyllite, grit and limestone of the Broadview Formation. The Bullock showings are interpreted to occur near the stratigraphic interval at the top of the Jowett, although the Jowett/Broadview contact has not been defined.

Goldsmith Regional Geology



Map Units:

- CmDLB = Cambrian-Devonian Lardeau Group – Broadview Formation Limestone, slate, siltstone, argillite
- CmDLJ = Cambrian-Devonian Lardeau Group – Jowett Formation Basaltic volcanic rocks
- CmDLI = Cambrian-Devonian Lardeau Group – Index Formation Mudstone, siltstone, shale, fine clastic sedimentary rocks
- Kgd = Cretaceous – Unnamed Granodioritic intrusive rocks

Property Geology

The main lithologies of the area are variably altered mafic volcanics (chlorite schist, greenstone) and argillaceous metasediments.

The area hosting the Goldsmith and Bullock showings is underlain mainly by basaltic strata that are variably altered and contain from 0 to 40% carbonate. The rocks are now chlorite +/- sericite +/- quartz-carbonate schists and range from light green to dark bluegreen in colour. Locally, especially near quartz veins, the chlorite schist contains minor disseminated pyrite resulting in deep oxidation. There are two distinct textural varieties of volcanics; most outcrops are schistose, soft and recessive but some conformable bands are semi-massive, hard and distinctly resistant, although they may be well carbonatized. The former are probably thin flows and tuffs while the latter may be a thick flow or intrusive sill. Neither possesses preserved primary textures.

Graphitic argillite, argillite and siltstone are interbedded with the mafic volcanic strata. These are thin bedded and were probably deposited in deep water, possibly as distal turbidites. Sediments and volcanics strike northwest and dip moderately (40-60°) northeast. Terrain slopes north-easterly but less steeply than stratigraphic dip. Some abrupt changes in slope and gullies transverse to slope strongly suggest strike faults but stratigraphic control is insufficient to define these probable faults.

Mineralization

Gold mineralization took place in association with a submarine hydrothermal system that developed near the conclusion of mafic volcanism. The hydrothermal system resulted in widespread carbonate alteration, exhalative quartz-carbonate precipitates and quartz veins with variable gold content. Metal zoning in Bullock quartz veins contains galena and generally lower gold, while at Goldsmith, sporadic arsenopyrite with better gold values can be found.

Gold mineralization appears to be contained predominantly within quartz veins and stockworks. Within the larger quartz veins, two distinct gold mineralizing events with two different vein orientations can be observed. “Foliaform” quartz veins often contain galena and occasionally other base metal values associated with higher gold grades, while “crosscutting” quartz veins generally have arsenopyrite associated with the gold values. Also of importance, in the area of the historic workings, are numerous narrow (1 to 10 centimetre) quartz veins of various orientations. From limited sampling, it appears that in some instances gold grades are higher in the narrower quartz or where the larger veins are intersected by the smaller veins. Detailed geological mapping has not been completed over the Goldsmith Property and is included in the next recommended work phase. A better understanding of the vein orientations and mineral associations is imperative to understanding the geological setting for the gold mineralization.

Deposit Types

The Goldsmith Property exhibits classic orogenic gold model characteristics, coincident with a “nuggety” gold vein system. This has been noted in historic reports and confirmed by the some of the very high gold assays obtained from Cream’s sampling programs.

This mineral deposit type is a major source of the world’s gold production and accounts for approximately one quarter of Canada’s output. These deposits may be difficult to evaluate due to the “nugget effect”.

North American examples of nuggety gold deposits which have hosted significant gold production include the Grass Valley and Motherlode areas of California (with over 10 million ounces produced) and the Bralorne Mine of southern British Columbia (which produced 4 million ounces of gold).

Comparisons can also be made to several other gold deposits, such as Bendigo in Australia. The Bendigo District has produced 22 million ounces of gold over the last century. Gold deposits hosted in the Bendigo District contain coarse visible gold grains (often greater than one millimetre in size) which are very erratically distributed within quartz. This erratic dissemination of high grade coarse gold is termed the “nugget effect”.

At Bendigo the gold within the quartz veins is characterized by both its coarse nature and its erratic distribution; as a result, the Bendigo Goldfield is classed as an extreme nugget effect system. This characteristic ensures that the Bendigo mineralization is very challenging to sample and evaluate. In this case, diamond drilling is a good measure of structure and geological continuity, but a poor measure of grade and grade distribution. Extreme nugget effect deposits like Bendigo require the use of bulk samples in order to be representative. However, the cost and turnaround time is significant. As a result, a micro-bulk sampling system has been introduced that attempts to overcome these problems by providing a fast, practical method that can define ore from waste.

This description from Bendigo concurs with the author’s recommendation of bulk sampling the gold bearing quartz veins at Goldsmith, rather than commencing a diamond drilling program as the next proposed work phase.

Exploration

A ground geophysical survey completed by the Company between December 2016 and February 2017 is the only work completed on the Goldsmith Property by the issuer. This survey was run at oblique angles to the two known vein orientations and to the prior airborne geophysical survey lines in order to pick up traces of cross structures which may be important controls on mineralization. The ground magnetic anomalies appear to provide greater detail than is available on the prior airborne survey and will be helpful in mapping structural relationships such as prospective intersections and truncations. The VLF-EM inversions exhibit a number of apparent conductors. Some of the conductors are likely related to formational conductivity (e.g., conductive argillites), while others are less clear. Interpretations will be enhanced when the results can be compared with detailed surface relations determined from geological mapping.

For completeness and due to its relevance to the Company, along with the ground geophysical work by the Company, this exploration section will summarize work completed by Cream from 2003 to 2008. Exploration work included mapping and rock sampling, soil sampling, airborne geophysics and excavator trenching. .

In 2003 to 2007 prospecting, rock grab and chip sampling and localized geological mapping was conducted by Cream Minerals on the Property. The 2003/2004 prospecting and rock sampling program was designed to locate and sample the historic workings. The majority of the rock samples were non-representative grab samples collected from rock dumps, adits and old pits. Chip samples were generally collected perpendicular to quartz vein orientations and represent entire vein widths. Good gold values were obtained in a number of samples.

A total of 235 samples were collected and the ones not listed below returned gold values ranging from trace to 0.5 g/t. The significance of these gold results is that a number of the historic Bullock and Goldsmith workings contain gold values that require follow up exploration work in order to evaluate their economic potential.

SAMPLE #	SHOWING	TYPE	Au (g/t)	Ag (g/t)	Cu (ppm)	As (ppm)	Pb (ppm)
B1-1	Bulllock #1	Grab	0.61	6.5	1780	268	2134
B1-2	Bulllock #1	60cm chip	1.72	13.7	2666	79	2526
B1-3	Bulllock #1	Grab	8.35	8.7	3271	50	2030
JB3-B1-13	Bulllock #1 Adit	15cm chip	63.78	36.2	1769	408	4038
B2-3	Bulllock #2	Grab	140.16	69.8	675	303	>10000
B3-B2-13	Bulllock #2 Adit	80x80cm panel	14.33	2.6	486	1388	43
B4-1	Bulllock #4	Grab-VG	75.27	129.0	217	193	31600
B4-4	Bulllock #4	Grab-VG	9901.8	619.5	120	96	77300
JB3-B5-1	Bulllock #5 Adit	150cm chip	1.46	2.5	821	96	489
JB3-B5-3	Bulllock #5 Adit	200cm chip	0.74	9.3	1743	43	1426
CK-1	Crown King	Grab	9.19	45.0	1173	8	8274
MX-2	Crown King	Grab	0.92	14.6	540	46	5373
MX-6	Crown King	Grab	1.82	13.4	364	55	2536
MX-9	Crown King	Grab	3.53	10.0	101	>10000	720
GS1-1	GS #1 Adit dump	Grab	6.29	2.8	71	>10000	52
GS1-4	GS #1 Adit dump	Grab	36.75	2.3	514	77	464
GS3-1	GS #3 Adit dump	Grab	7.07	3.2	21	>10000	77
GS3-2	GS #3 Adit dump	Grab	13.83	6.2	4406	619	157
GS3-3	GS #3 Adit dump	Grab	1.15	14.4	208	266	2060
04GS3-1	GS #3 Adit	Grab	18.57	1.7	4	81	8
04GS3-3	GS #3 Adit	20cm chip	2.26	0.3	157	79	72
04-GS18-5	Old GS Trench 18	50cm chip	5.66	1.0	27	>10000	27
04-GS19-1	Old GS Trench 19	100cm chip	2.57	<0.3	81	5074	13
04GS19B-2	75 m from Trench 19	150cm chip	0.69	<0.3	47	5537	<3
04GS20-1	Old GS Trench 20	40cm chip	9.93	3.2	188	>10000	181
04GS20-2	Old GS Trench 20	100cm chip	1.03	<0.3	86	6004	6
04GS20-3	Old GS Trench 20	35cm chip	27.63	3.6	28	>10000	29
04GS20-4	Old GS Trench 20	100cm chip	1.57	<0.3	116	11142	11
04GS20-6	Old GS Trench 20	100cm chip	1.87	<0.3	86	19772	20
04GS30-1	Between trench 19 and 20	20cm chip	101.78	22.8	15	250	<3
04GS34-1	Old working GS 34	Grab	8.27	0.6	144	15566	19
05CK-7	Crown King	Grab	1.78	8.5	11	108	922
05GS-14	Goldsmith	Grab	15.40	12.1	591	3	3293
06GS19	Goldsmith	Grab	197.16	10.6	38	3539	89
06GS20	Goldsmith	200cm chip	.67	<.3	159	2141	16
06GS21	Goldsmith	200cm chip	.63	<.3	82	1686	<3
06GS46	Bullock	Grab	1.82	.5	55	10	23
06GS48	Bullock	Grab	1.05	>100	63	6	>10000
06GS63	Goldsmith	Grab	13.43	11.9	38	16	599
06GS67	Bullock	Grab	2.46	211	78	248	25020
06GS68	Bullock	Grab	0.55	3.1	18	18	544
06GS70	Bullock	Grab	65.62	80.4	80	7	8630

Along with the rock sampling program, Cream put in a grid and collected 636 soil samples. Grid lines were run at 045^{o}, roughly perpendicular to the geologic trend. Lines were spaced 100 metres apart and samples were collected at 20 or 25 metre stations along the grid lines.

Cream's work program was conducted not only over the current Goldsmith Property but also over the Lucky Jack and adjoining areas.

A strong, 200-300 metre wide, gold soil anomaly trends northwest-southeast (at approximately 135°) across the grid area, centred between 0+00 and 2+00E on the grid lines. The strongest portion of the soil anomaly extends from L3+00N to L15+00N (a distance of 1200 metres). The area between 3+00N to 7+00N covers the Bullock workings, the area from 10+00N to 14+00N covers the Goldsmith workings. In the Goldsmith area several gold soil values are greater than 100 ppb gold, with the highest value of 19,662 ppb gold located at L12+00N, 0+20W. Poplar Creek crosses the grid just north of L15+00N.

A strong arsenic soil anomaly is readily visible paralleling the trend of the gold soil anomaly through the central portion of the grid area. This gold-arsenic correlation is also seen in many rock grab and chip samples collected throughout the Goldsmith Property and is a good gold indicator element.

The lead soil map does not show the same strong anomalous trend crossing the Goldsmith Property as seen on the gold and arsenic maps. A good strong lead anomaly is visible in the southern portion of the grid, correlating with the area of the Bullock workings where lead occurs with gold in rock samples. Stronger lead values are also visible on the northeast corner of the grid area, with no known bedrock association. The remainder of the high lead values are scattered throughout the grid area with no apparent orientation. As with the recommendations from rock sampling, detailed geological mapping is required in order to better understand the significance of the soil geochemical anomalies and their association with gold, silver and base metals in bedrock.

In 2006, an airborne geophysical survey was completed. Results from the airborne survey show that in general, conductors line up well with the regional lithological trends. A strong 135° oriented, continuous conductor trends through the mineralized area for a distance of nearly 1.5 kilometres. This conductor lies adjacent to the Bullock and Goldsmith workings and coincident gold geochemical anomalies (the general location of which is shown on this map as a red oval). The conductor is believed to represent the mafic volcanic and diabase units that host the gold bearing quartz veins.

Total field magnetics show a large magnetic high trend, averaging 800 metres in width and lying adjacent to the conductive zone. The magnetic tilt derivative signature shows a good correlative relationship between magnetics and gold geochemistry, with a series of narrow, irregular linear magnetic features to the east of the main magnetic high. A southwest splay trending sub-parallel to the conductor mimics the gold soil geochemical anomaly (the general location of which is shown on this map as a red oval).

A 32.5 line kilometre ground magnetics and VLF-EM survey was run between December 2016 and February 2017 by the Company. Grid lines were spaced 50 metres apart with readings collected along the east-west lines at 12.5 metre stations. The ground geophysical survey was designed to run at oblique angles to both the regional geological trend and to the cross-cutting veinlets.

Two types of geophysical data were recorded and analysed in this study: ground-based magnetics and ground-based VLF-EM. The data was acquired in an irregular grid of 31 east-west lines and one north-south line. The grid is located within a region that was flown by the prior airborne magnetic and electromagnetic survey conducted by Cream in 2006.

All of the ground data were recorded with magnetic field measurements and VLF-EM measurements on a Gem Systems GSM-19 instrument. Readings were taken at 12.5 metre station intervals along each of the lines and the 31 east-west lines were spaced 50 metres apart and vary in length. GPS measurements for location and elevation were taken at 100 metre intervals.

VLF-EM readings were taken for three distant transmitters at each station: Cutler, Maine (NAA, 24000 Hz), Seattle, Washington (NLK, 24800 Hz), and LaMoure, North Dakota (NML, 25200 Hz). The signals from each of the transmitters appeared to be good, although the NML transmitter occasionally produced signals that had occasional large swings (>200% in some cases) from one station to the next. For this reason, and because a third transmitter typically produces redundant information, the data from the NML transmitter were not used for processing and inversion.

When compared to the airborne total magnetic intensity anomaly map, the ground survey tilt angle enhances a NW-SE trend with greater detail. One potential benefit of the enhanced detail might be the ability to follow veins, fractures, etc. that may be prospective if they contain magnetic minerals. This could be addressed with detailed geological mapping at a scale that is similar to the ground magnetic grid.

Both property scale and smaller structures, in the form of electromagnetic conductors and breaks in the conductive trends, were also identified. A commonly used approach to analyzing VLF-EM data and to seek map trends in the data is to calculate and map the Fraser filter (approximately the first derivative of the data). Here, some northwest-southeast trends are apparent, as would be expected as the geological strike is also northwest-southeast. However, near the centre of the map, these northwest-southeast trends appear to be interrupted, perhaps by some north-south trends. Whether these are geologically significant can only be determined by comparison with detailed information from field measurements.

The VLF-Em data has been inverted into two-dimensional cross sections of conductivity. Although detailed interpretations require correlation of the inversion results with geological relationships, a key first approach is to map the locations of the conductors and to compare the results to the geology and to the airborne data.

In an effort to compare the inversion results with the surface information, images have been constructed that illustrate the map patterns of apparent conductivity for different depth intervals. To create these maps, two depth intervals were chosen: 10-50 metres and 100-175 metres. Within each of these intervals, the areas of elevated conductivity were mapped and then contoured.

Two key observations derive from these displays. First, and most obvious, there is a dramatic shift in general location of conductors as a function of depth. In the deep (100- 175 metre) image, the conductors are concentrated in the west and are quite prominent along a northwest-southeast trend. Second, in the shallow (10-50 metre) image, the conductors are concentrated in the east and are smaller and more restricted in area.

The deep western conductors are arranged in a more-or-less linear ‘belt’ that coincides with a strong northwest-southeast conductor mapped on the Aeroquest survey and that is interpreted to be formational. In other words, this conductive zone is probably due to electrically conductive strata (e.g., argillite). The eastern shallow conductors, however, do not appear to coincide with formational lithologies and could be conductors near the surface.

Additional geological, geophysical and geochemical compilation work along with field surveys is required to determine the significance of the newly identified structures in relation to the gold mineralization.

In 2008, Cream excavated nine trenches in the Goldsmith and Bullock areas of the property. Trench locations were chosen to test gold soil geochemical anomalies identified from the 2005 and 2006 soil sampling surveys. A total of 377.75 metres were excavated, with trench lengths ranging from 12 to 80 metres.

During the course of mapping the trenches, chip samples were collected. In most instances chip samples were collected from the trench floor along contiguous two metre intervals. In addition to the chip samples, several quartz veins intercepted in the trenching were sampled selectively. The chip samples are labelled GT and the quartz vein samples labelled BQ. 179 rock chip and 70 selected quartz samples were collected from the trenches. Trench chip samples were not collected perpendicular to lithologies and do not represent true width. Quartz samples do represent the true widths of the individual veins sampled.

Chip sample intervals not included in the table below returned only trace gold values.

TRENCH #	INTERVAL (cm)	WIDTH (cm)	Au (g/t)	Ag (g/t)	As (ppm)	Pb (ppm)
08GT-02	26-28	200	0.48	1.4	8021	65
08GT-02 28-30	200	1.81	<0.3	2548	<3	
08GT-02	30-32	200	7.61	0.7	8875	16
08GT-03	10-12	200	1.24	0.5	3898	<3
08GT-03	12-14	200	0.84	0.5	>10000	5
08GT-03	14-16	200	1.99	0.6	>10000	7
08GT-03	16-18	200	0.21	0.6	1927	4
08GT-06	04-06	200	0.02	0.3	1618	10
08GT-06	06-08	200	0.09	1.5	2649	73
08GT-08	42-44	200	0.08	<0.3	1318	5
08GT-09	10-12	200	0.38	<0.3	1297	7
GT-02	08BQ-05	25	0.13	1.6	5641	74
GT-02	08BQ-06	2-3	17.49	2.1	6812	52
GT-02	08BQ-10	2.5	0.67	<0.3	136	<3
GT-02	08BQ-15	7-15	0.87	0.8	<2	<3
GT-03	08BQ-19	1-4.5	2.79	0.3	6366	21
GT-03	08BQ-20	1-4	0.29	<0.3	2533	<3
GT-03	08BQ-21	1-3	0.61	<0.3	3660	6
GT-03	08BQ-22A	8-10	0.06	<0.3	3228	7
GT-05	08BQ-33	4-10	5.80	2.3	<2	11

GT-06	08BQ-36	4-5	1.98	<0.3	33	<3
GT-06	08BQ-37	1	0.68	0.3	260	<3
GT-06	08BQ-41	5-8	0.02	2.5	1674	29
GT-08	08BQ-57	0.4	1.21	0.3	203	7
GT-09	08BQ-66	30-70	0.36	19.2	22	2563
GT-09	08BQ-68	5	1.66	<0.3	378	13

No gold zones of significance were identified in any of the trenches, with the exception of trench 08-GT02, where a gold value of 7.61 g/t was obtained from a two metre chip sample. Several of the quartz vein samples, listed in the bottom half of the table, returned higher gold assay values, often from narrow veins. High arsenic values were obtained in many of trenches showing the strong arsenic halo to the vein mineralization.

Abundant quartz veins and veinlets are found throughout the trenching area, ranging from millimetre to metre scale in widths. Individual widths are variable (pinch and swell) with widths often increasing at depth. Quartz is comby and mostly milky white. Some watery and sugary veins occur. All the veins are carbonatized, having rusty orange-brown to purple-brown rims, vugs, fractures, and axial planes. Rims exhibit poor to well developed cockscomb textures. Veins are often deeply oxidized at or near surface, appearing only as orange-brown rusty bands. A trained eye and commitment to cleaning the trench floor generally reveals some comby quartz teeth and with further digging sometimes reveals a mineralized quartz vein. Only rare quartz veins contain unoxidized sulphides. Most quartz veins strike parallel to schistosity and dip either parallel to or cross-cut schistosity. Most of the trenches are sub-parallel to bedding and cross-cut schistosity (and hence quartz veins). Exceptions are 08GT-04 and 08GT-09, which in part have sections that are parallel to S1 foliation and cross-cut bedding.

Exploration work to date completed by Cream returned erratic gold assay values with spotty high grades. This type of heterogeneous gold distributions is typical of “nuggety” gold deposits. Due to the widespread distribution of veins and vein networks hosting gold and elevated indicator elements, combined with the broad soil geochemical anomalies make the Goldsmith Property a good exploration target. Continued exploration work must be conducted with the understanding that the gold distribution is nuggety and that large sample sizes are imperative to achieve the most reliable gold grades.

Drilling

No drilling has been conducted by the Company on the Goldsmith Property.

Sampling Preparation, Analysis and Security

The Company has not collected any samples on the Goldsmith Property.

Historic sampling from the early 1900s has little for documentation or actual assay values reported. Sample results tend to be anecdotal and are not to be relied upon.

From 2003 to 2008, soil and rock samples were collected by Cream Minerals Ltd. These sampling programs were supervised by the author of this report. Sampling procedures and sample handling protocol meet industry best practices as established by the Canadian Institute of Mining (CIM). A total of 636 soil samples were collected by Cream from the Goldsmith Property. Soil samples were collected at 20 metre intervals along grid lines oriented at 045º. Soil samples were taken from the ‘B’ soil horizon whenever possible, and were collected using a mattock or shovel. Sample sites were labelled with fluorescent flagging with the station number recorded on it, and soil was placed in correspondingly labelled Kraft soil bags. In the laboratory, samples were dried at 60ºC, 100 grams sieved to –80 mesh. 15 gram sub-samples were then analyzed for 36 elements by the ICP-MS method.

A total of 235 rock grab and chip samples were collected by Cream from the Goldsmith Property. Samples were collected from outcrops, trenches and historic adits or dumps where accessible. Grab samples consist of 2 or 3 fist size pieces of rock representing a certain lithology, alteration or mineralization style. Chip samples consist of several golf ball size rock chips collected in a continuous manner across a vein or along an exposed section of bedrock. Chip samples are collected perpendicular to veining or geologic structures wherever possible. Rock sample sites were marked with labelled flagging tape or spray paint. Samples were put into correspondingly labelled plastic bags. In the laboratory, rock samples were crushed, sieved and pulverized to 200 mesh. A 30 gram sub-sample was assayed for gold by fire assay fusion with an ICP-ES finish, plus a 0.5 gram sub-sample was analysed for 30 additional elements by the ICP-ES method.

All samples were shipped from site, directly to Acme Analytical Laboratories Ltd. in Vancouver, BC by courier. All sample preparation was conducted by the laboratory. The laboratory was entirely independent from the company.

Acme was an IS0 9001:2008 accredited facility, certificate number FM 63007. Acme has subsequently been acquired and integrated into Bureau Veritas.

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

In the author's opinion, for the early stage exploration programs conducted to date, the sample preparation, security, and analytical procedures utilized are adequate.

Mineral Resource and Mineral Reserve Estimates

There are no mineral resource or mineral reserve estimates on the Goldsmith Property.

Interpretation and Conclusions

Gold mineralization on the Goldsmith Property appears to be contained predominantly within quartz veins and stockworks. The various historic workings on the Goldsmith Property occur in areas with numerous quartz veins. These veins average about 50 centimetres in width, although in several instances veins of 1 to 2 metres or more have been observed. Within the larger quartz veins, there appears to be two distinct gold mineralizing events with two different vein orientations. The “foliaform” quartz veins often contain galena and occasionally other base metal values associated with higher gold grades, while “crosscutting” quartz veins generally have arsenopyrite associated with the gold values.

Also of importance in the area of the historic workings, are numerous narrow (1 to 10 centimetre) quartz veins of various orientations. From limited sampling, it appears that in some instances gold grades are higher in the narrower quartz veinlets or gold values increase in the larger veins where they are intersected by the smaller veins.

Prior rock chip and grab sampling from the historic workings has confirmed the presence of reported, widespread, high grade gold mineralization from numerous workings on the Goldsmith Property. Soil geochemistry results show significant gold, arsenic and lead anomalies trending through the area hosting historic workings. The gold and other element associations seen in the soil geochemistry anomalies are also present in the rock sample results. Soil geochemical anomalies and geophysical survey results show the trend of the lithologies hosting the gold bearing quartz vein systems.

In general, results from the exploration programs show that high grade gold assays have been returned from quartz veins and vein zones in the area of historic workings. The gold values are spotty and erratic as is common in systems exhibiting “nugget effect”. The gold values within this mineralized system are greatly variable. This variability will decrease by increasing the sample size with the implementation of a bulk sampling program.

Detailed geological mapping has not been completed over the Goldsmith Property and is included in the next recommended work phase. A better understanding of the vein orientations and mineral associations is imperative to understanding the geological setting for the gold mineralization.

There are inherent risks in the development of any mineral exploration project. Economic viability of the project cannot be determined at the Goldsmith Property’s early exploration stage. The author does not foresee any risks or uncertainties that may affect the reliability of the exploration information or potential economic viability.

In the author’s opinion, the Goldsmith Property hosts the potential for a “nuggety” orogenic gold deposit, as originally noted in historic reports and confirmed by the heterogeneous, spotty high gold values obtained from Cream’s sampling programs.

Exploration and Development

The recommended two phase work program for the Goldsmith Property will culminate in a small bulk sample extraction of mineralized bedrock in several locations. The results of this bulk sampling program will aid in mitigating the heterogeneity of the gold grades resulting from erratic gold grain distribution, and will provide information on the metallurgy of the mineralization. This information is crucial for planning future exploration work.

Phase 1 will include geological mapping, concentrating on orientations of veins and structures. This mapping will allow for a better understanding of the controls which may be relevant in hosting gold mineralization. Mapping needs to identify on the ground, the location and association of various structures, as recognized by geophysical and geological work. These structures also need to be compared with gold and associated element mineralization. Prior to mapping, compilation of previous exploration work along with the recently completed ground geophysical survey results is required. A LiDar will be completed to provide good quality base mapping and additional structural information. The total cost of Phase 1 is estimated as follows:

ITEM	AMOUNT	COST ($)	TOTAL ($)
Geologist	15 days	850	12,750
Sampler	15 days	400	6,000
Assistant	15 days	320	4,800
LiDar	survey	12000	12,000
Data (geochemistry compilation and geophysics)	10 days	800	8,000
Geophysical Crew	5 days	1400	7,000
Room and Board	45 days	150	6,750
Truck/ATV rental	2 x 15 days	200	6,000
Assays – rocks	180 rocks	45	8,100
Analyses – soils	300 soils	25	7,500
Travel		4000	4,000
Supplies		3100	3,100
Reporting		5500	5,500
Contingency@ 9%			8,500
PHASE 1 TOTAL			**$100,000**

Upon completion of mapping and rock sampling, a Phase 2 excavator trenching program will be initiated in order to collect fresh bedrock for analyses and metallurgical work. The Company will not have sufficient funds following the Offering to complete Phase 2 and will need to raise additional funds in order to commence Phase 2.

The Phase 2, bulk sampling program proposed for the Goldsmith Property, will assist in mitigating the gold variability incurred by the presence of coarse gold grains. This “nugget effect” must be taken in to account when exploring for gold mineralization in this type of system and the importance of structures, veins and associated and indicator element geochemistry must be stressed. The gold values within this mineralized system will often be greatly variable. This variability will decrease by increasing the sample size with the implementation of a bulk sampling program.

Phase 2 will consist of collecting 500 kilogram samples from up to 20 of the gold bearing quartz veins or vein zones in order to better estimate true gold grades and determine metallurgy within this mineralizing system of spotty high grade and coarse “nuggety” gold. The total cost of Phase 2 is estimated as follows:

ITEM	AMOUNT	COST ($)	TOTAL ($)
Supervisor	30 days	850	25,500
Assistant	30 days	500	15,000
Blaster	12 days	2000	24,000
Heavy Equipment	80 hours	150	12,000
Assays	500 rocks	45	22,500
Bulk Sample Processing	20 x 500 kg	5500	110,000
Truck/ATV rentals	4 units x 30 days	100	12,000
Room and Board	90 days	150	13,500
Travel/Mob/Demob		10000	11,550
Freight		7500	10,000
Supplies		20000	20,000
Permitting		3500	3,500
FN Engagement		2500	2,500
Reclamation		15000	15,000
Reporting		7500	7,500
Contingency @ 15%			45,450
PHASE 2 TOTAL			**$350,000**

Although the Phase 2 exploration program is not dependent upon results from the Phase I program, the detailed field work will assist in guiding the Phase 2 program. Dependent upon the success of the Phase 2 bulk sampling and metallurgical program, one or more selected veins or vein zones should be targeted by a 10,000 tonne bulk sample program.

USE OF PROCEEDS

Funds Available

The net proceeds to be received by the Company from the minimum Offering, after deducting the balance of the estimated expenses of the Offering of approximately $60,000 and the Agent's Commission of $16,000, will be $124,000. The net proceeds to be received by the Company from the maximum Offering, after deducting the balance of the estimated expenses of the Offering of approximately $60,000 and the Agent's Commission of $32,000, will be $308,000. As at August 31, 2017, the Company had a working capital surplus of $82,040. Accordingly, the Company anticipates on having minimum available funds of approximately $206,040 and maximum available funds of approximately $390,040 following Closing of the Offering. The estimated costs of the Offering include, the Work Fee, legal and audit fees and other expenses of the Company, the Agent's expenses including its legal fees and the balance of listing fees payable to the Exchange.

Principal Purposes

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

	Minimum Offering Amount ($)	Maximum Offering Amount ($)
Property Payments:		
Listing Date	7,000	7,000
November 30, 2017	13,000	13,000
November 30, 2018	-	20,000
Work Program on Goldsmith Program:		
Phase 1	100,000	100,000
Phase 2[(1)]	-	100,000
Estimated general and administrative expenses for the 12 months following the Offering	84,200	84,200
Unallocated Working Capital to fund ongoing operations	1,840	65,840
Total	206,040	390,040

(1) The Company will not have sufficient funds following the maximum Offering to complete Phase 2 and will need to raise additional funds in order to commence Phase 2.

The Company expects to incur approximately $84,200 in general and administrative costs on an annual basis to cover the expenses of operating as a public company over the next 12 months. A breakdown of the estimated general and administrative costs for that period is as follows:

	Monthly Amount ($)	Annual Amount ($)
Audit and Accounting Expenses	833	10,000
Legal Expenses	625	7,500
Management Fees	5,000	60,000
Regulatory Filing Fees	417	5,000
Office Expenses	100	1,200
Transfer Agent	42	500
Total	7,017	84,200

The Company 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, net proceeds from the Offering will be distributed to insiders as follows:

- Richard Penn, Chief Executive Officer and a Director of the Company will receive management fees of $30,000.
- Roman Rubin, Chief Financial Officer, Secretary and a Director of the Company will receive management fees of $30,000.

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

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow and incurred losses. The Company's negative operating cash flow and losses are expected to continue for the foreseeable future. The Company cannot predict when it will reach positive operating cash flow, if ever. Due to the expected continuation of negative operating cash flow, the Company 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 Company expects to achieve using the available funds are to: (i) complete the Offering; (ii) obtain a listing of the Common Shares on the Exchange; and (iii) complete Phase 1 of the exploration program recommended in the Technical Report. The Company expects to commence Phase 1 immediately following listing, the Company believes it will take a minimum of 12 months to complete Phase 1 and analyze the results. If the results dictate further exploration, subject to obtaining additional financing the Company expects to proceed with Phase 2, the Company expects to commence and complete Phase 2 within 12 to18 months of completion of Phase 1.

The Company’s business objectives of completing the Offering and listing on the Exchange will occur on the Closing date of the Offering and the date the Company lists on the Exchange. The cost of covering administrative costs for the first 12 months following listing is estimated at $84,200. The cost of completing Phase 1 of the recommended work program is estimated at $100,000. It is possible that it will take more than 12 months for the Company to complete Phase 1 of the recommended work program.

DIVIDENDS

The Company has never declared, nor paid, any dividend since its incorporation and does not foresee paying any dividend in the near future since all available funds will be used to conduct exploration activities. Any future payment of dividends will depend on the financing requirements and financial condition of the Company and other factors which the Board, in its sole discretion, may consider appropriate and in the best interests of the Company.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following tables set forth selected financial information with respect to the Company's audited financial statements for the period from inception on November 18, 2016 to April 30, 2017. The selected financial information has been derived, except where indicated from the audited financial statements for the period of inception on November 18, 2016 to April 30, 2017. The following should be read in conjunction with the said financial statements.

Selected Financial Information

	Period from inception (November 18, 2016) to April 30, 2017 (Audited) ($)
Continuing operations	
Revenue	-
General and Administrative Expenses	(98,182)
Net loss	(98,182)
Basic and Diluted loss per share	(0.02)[(1)]

Note:
(1) Based on the weighted average of 5,936,979 common shares issued and outstanding for the period ended April 30, 2017.

Statement of Financial Position	**As at April 30, 2017 (Audited) ($)**
Assets	
Current assets	149,885
Exploration and Evaluation Assets	81,815
Total Assets	231,700
Liabilities	
Current liabilities	9,761
Shareholders' Equity	221,939
Total Liabilities and Shareholders' Equity	231,700

Overview

This management discussion and analysis ("MD&A") of results, operations and financial condition of the Company, describes the operating and financial results of the Company for the period from inception on November 18, 2016 to April 30, 2017. This MD&A supplements, but does not form part of, the audited financial statements of the Company, and should be read in conjunction with the Company's audited financial statements and related notes for the period from inception on November 18, 2016 to April 30, 2017. The Company prepares and files its financial statements in accordance with IFRS. The currency referred to in this MD&A is in Canadian Dollars.

Overall Performance

The Company is a junior exploration company engaged in the exploration and development of the Goldsmith Property. The Company's future performance depends on, among other things, its ability to discover and develop ore reserves at commercially recoverable quantities, the prevailing market price of commodities it produces, the Company's ability to secure required financing, and in the event ore reserves are found in economically recoverable quantities, the Company's ability to secure operating and environmental permits to commence and maintain mining operations.

During the period from the date of inception on November 18, 2016 to April 30, 2017, the Company's activities included the acquisition of the Goldsmith Property, an initial exploration program on the Goldsmith Property and activities related to the Offering. See "Business of the Company – Three Year History" and "Goldsmith Property".

Results of Operation

Period from the date of inception on November 18, 2016 to April 30, 2017

The Company reported a net loss of $98,182, during the period from the date of inception on November 18, 2016 to April 30, 2017. The main factors that contributed to the loss in fiscal 2016 were bank and interest charges of $233, consulting fees of $7,000, management fees of $30,000, office expenses of $100, professional fees of $8,912, stock based compensation of $37,500 and travel of $14,437.

Consulting fees relate to financial advisory services provided to the Company.

Management fees relate to services provided by management relating to the initial organization of the Company, the acquisition of the Goldsmith Property and activities related to the Offering.

Professional fees consist of legal fees in connection with the Company's acquisition of the Goldsmith Property and this Offering, accounting and audit fees in connection with the preparation of the Company's audited financial statements.

Travel expenses related to travel expenses incurred by management.

During the period from the date of inception on November 18, 2016 to April 30, 2017, the Company completed the following equity financings: (i) the sale of 2,500,000 units at a price of $0.005 per unit, with each unit consisting of one Common Share and one share purchase warrant exercisable at a price of $0.005 per share for total proceeds of $12,500; (ii) the sale of 2,500,000 Common Shares at a price of $0.02 per share for proceeds of $50,000; (iii) the sale of 2,500,000 Common Shares on exercise of previously issued warrants for total proceeds of $12,500; and (iv) the sale of 2,966,002 units at a price of $0.07 per unit, with each unit consisting of one Common Share and one share purchase warrant exercisable at a price of $0.14 per share.

Liquidity and Capital Resources

The Company reported working capital surplus of $140,124 and cash on hand of $113,557 at April 30, 2017.

The Company anticipates having $206,040 in available funds upon completion of the minimum Offering. The Company estimates that the capital required to carry out Phase 1 of the recommended exploration program on the Goldsmith Property and to pay the Optionors the next installment pursuant to the Goldsmith Option Agreement, is $120,000. In addition, the Company also anticipates that it will be required to incur approximately $84,200 in general and administrative expenses. After giving effect to these allocations, the Company anticipates it will have $1,840 in unallocated working capital upon completion of the minimum Offering.

The Company anticipates having $390,040 in available funds upon completion of the maximum Offering. In addition to the allocations in the event of the minimum offering, the Company will allocate an additional $100,000 towards Phase 2 of its exploration program and $20,000 towards a further installment pursuant to the Goldsmith Option Agreement. After giving effect to the allocations in the event of a minimum offering and these further allocations, the Company anticipates it will have $65,840 in unallocated working capital upon completion of the maximum Offering.

The Company does not anticipate incurring any other material capital expenditures.

The Company's future capital requirements will depend upon many factors including, without limitation, the results of its exploration programs including Phase 1 and Phase 2 and commodity prices for precious metals. The Company has limited capital resources and has to rely upon the sale of equity securities for cash required for exploration and development purposes, for acquisitions and to fund the administration of the Company. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of its equity and debt securities to raise capital, which would result in further dilution to the shareholders. There is no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company or at all. See "Risk Factors".

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

Period from the date of inception on November 18, 2016 to April 30, 2017

During the period from inception on November 18, 2016 to April 30, 2017, Richard Penn, the Company's Chief Executive Officer and Director, received $15,000 in management fees and $18,750 in share based compensation expenses was recorded in relation to units purchased by Mr. Penn.

During the period from inception on November 18, 2016 to April 30, 2017, Roman Rubin, the Company's Chief Financial Officer, Secretary and Director, received $15,000 in management fees and $18,750 in share based compensation expenses was recorded in relation to units purchased by Mr. Rubin.

Management fees relate to services provided by management relating to the initial organization of the Company, the acquisition of the Goldsmith Property, exploration of the Goldsmith Property and activities related to the Offering.

Changes in Accounting Policies

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements:

*IFRS 9 Financial Instruments ("**IFRS 9**")*

IFRS 9 was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("**IAS 39**"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is required to be applied for annual periods beginning on or after January 1, 2013. IFRS 9 has a tentative effective date of January 1, 2018 with early adoption permitted.

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

Based on its review of the above, management is of the opinion that the Company's current accounting policies and disclosures in its financial statements comply in all material respects with the requirements so far as they are applicable to its present operations.

Financial Instruments

The Company's financial instruments consist of cash, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise stated.

Summary of Quarterly Results

Since inception, the Company has not prepared quarterly interim financial statements. As a result, the Company is unable to provide a summary or the quarterly results from the date of inception on November 18, 2016 to April 30, 2017.

Additional Disclosure for Venture Issuers without Significant Revenue

The following table sets out a breakdown of all material components of certain costs to the Company for the period from inception on November 18, 2016 to April 30, 2017.

Mineral Properties – Exploration and Evaluation

The following tables set out the total deferred exploration costs recorded by the Company for the Goldsmith Property as at April 30, 2017:

		As at April 30, 2017 (audited)
Balance, beginning of period	**$**	**-**
Acquisition Costs		
Cash		5,000
Total Acquisition Costs		5,000
Deferred Exploration Costs		
Geology and Geophysical Costs		45,130
Exploration Costs		31,685
Total Deferred Exploration Costs		76,815
Balance, end of period	**$**	**81,815**

General and Administrative Expenses

The following tables set out the general and administrative expenses of the Company for the period from inception on November 18, 2016 to April 30, 2017:

Item		Period from Inception to April 30, 2017 (audited)
Bank and interest charges	$	233
Consulting fees		7,000
Management fees		30,000
Office expenses		100
Professional fees		8,912
Stock-based compensation		37,500
Travel		14,437
Total	**$**	**98,182**

Additional Disclosure for Junior Issuers

As set out in the section titled "Use of Proceeds", if the minimum Offering is completed the Company anticipates having general working capital of $1,840 following completion of the recommended Phase 1, payments to the Optionors and after meeting the budgeted administrative costs for the next 12 months of $84,200. If the maximum Offering is completed, in addition to the allocations in the event of the minimum offering, the Company will allocate an additional $100,000 towards Phase 2 of its exploration program and $20,000 towards a further installment pursuant to the Goldsmith Option Agreement. Other than as disclosed in this prospectus, the Company does not anticipate incurring any other material capital expenditures.

Assuming that the Company has expended its Phase 1 exploration expenses in accordance with the recommendations of the Qualified Person, on the Goldsmith Property, the Company will have achieved one of its material stated business objectives which is to determine whether the Goldsmith Property contains mineralized deposits and whether the results warrant the Company carrying out further work on the Goldsmith Property.

If the results on the Goldsmith Property do not warrant the Company incurring further exploration expenditures, then the Company anticipates that it may not have sufficient funds to meet its budgeted administrative costs for the next calendar year. However, if a further work program is recommended on the Goldsmith Property, the Company will be required to raise additional funding to carry out further exploration programs on its Goldsmith Property. In addition, should the opportunity to acquire other mineral exploration properties be presented to the Company, whether located in North America or elsewhere, then the Company would have to determine the appropriate method of acquiring those properties. In the event that Common Shares could not be used to acquire the said properties, then the Company may have to look to raise further capital. See "Risk Factors".

Disclosure of Outstanding Security Data

The Company has one class of shares outstanding, being Common Shares. As of the date of this prospectus, 10,466,003 Common Shares were issued and outstanding. The Company also has 2,966,002 share purchase warrants exercisable at a price of $0.14 per share for a period expiring March 31, 2019. See "Description of the Securities Distributed".

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Authorized Capital

The authorized capital of the Company consists of an unlimited amount of authorized Common Shares, of which 10,466,003 Common Shares were issued and outstanding as at the date of this prospectus, and an unlimited number of preferred shares, of which none are issued and outstanding.

Common Shares

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

Preferred Shares

The holders of the preferred shares are not entitled to receive notice of and not entitled to vote at all meetings of the shareholders of the Company. The preferred shares may include one or more series of shares. The registered holders of the preferred shares are entitled to receive dividends if and when declared by the Board of Directors out of the funds or assets of the Company properly applicable to the payment of dividends. The Board of Directors of the Company may at any time declare and authorize the payment of such dividends exclusively to the registered holders of the preferred shares without declaring any corresponding dividends to the registered holders of the Common Shares. In the event of the liquidation, dissolution or winding up of the Company or other distribution of the assets of the Company among its members for the purpose of winding up the affairs of the Company, whether voluntary or involuntary, the registered holders of the preferred shares shall be entitled to receive the amount paid up with respect to each preferred share together with an amount equal to all declared and unpaid dividends on such shares in priority of the Common Shares. After payment to the registered holders of the preferred shares of the amount payable to them as provided for above, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Company. The preferred shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Agent's Option

The Company has agreed to grant to the Agent a non-transferable option (previously defined as the "Agent's Option") exercisable to acquire that number of Common Shares that is equal to 8% of the number of Common Shares sold pursuant to this Offering at the price of $0.10 per Common Share for a period of 24 months from the Closing. The Agent's Option will be qualified under this prospectus. See "Plan of Distribution".

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Company's capitalization as at April 30, 2017, as of the date of this prospectus, and following completion of the Offering:

	April 30, 2017	As at the date hereof	After giving effect to the minimum Offering	After giving effect to the maximum Offering
Common Shares	$282,621 (10,466,003 Common Shares)	$282,621 (10,466,003 Common Shares)	$482,621 (10,729,753 Common Shares)(1)	$682,621 (16,477,005 Common Shares) (2)
Agent's Option	Nil	Nil	200,000	360,000
Options	Nil	Nil	Nil	Nil
Warrants	2,966,002	2,966,002	2,966,002	2,966,002
Long Term Liabilities	Nil	Nil	Nil	Nil

Notes:

(1) In order to meet the listing conditions of the Exchange, in the event of a minimum Offering, 1,736,250 Common Shares originally purchased at a price of $0.005 per Common Share will be cancelled and the share purchase price of 578,750 Common Shares will be increased from $0.005 per Common Share to $0.02 per Common Share; and

(2) In order to meet the listing conditions of the Exchange, in the event of a minimum Offering, 1,275,000 Common Shares originally purchased at a price of $0.005 per Common Share will be cancelled and the share purchase price of 425,000 Common Shares will be increased from $0.005 per Common Share to $0.02 per Common Share.

OPTIONS TO PURCHASE SECURITIES

The Directors of the Company adopted a stock option plan on May 8, 2017 (the "Stock Option Plan"). The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company 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 Company's Common Shares issued and outstanding at the time such options are granted. The Stock Option Plan will be administered by the Company's Board of Directors, which will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such directors, officers, employees, management or consultants of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise price of option grants will be determined by the Board of Directors, but after listing on the Exchange will not be less than the closing market price of the Common Shares on the Exchange less allowable discounts at the time of grant. The Stock Option Plan provides that the number of Common Shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares, if the individual is a director, officer, employee or consultant, or 1% of the issued Common Shares, if the individual is engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Options Granted

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

PRIOR SALES

Since inception on November 18, 2016, the Company has completed the following distributions of its securities:

(a) On November 18, 2016, the Company issued one Common Share at a price of $1.00 per share, which Common Share is escrowed in accordance with the terms of the Escrow Agreement.

(b) On November 22, 2016, the Company issued 2,500,000 units at a price of $0.005 per unit for total proceeds of $12,500. Each unit is comprised of one Common Share and one share purchase warrant (a "Founder Warrant") exercisable at a price of $0.005 per share for a period of two years from the date of issuance. All 2,500,000 Common Shares will be escrowed in accordance with the terms of the Escrow Agreement.

(c) On December 12, 2016, the Company issued 2,500,000 Common Shares at a price of $0.02 per share for total proceeds of $50,000. 1,500,000 of these shares will be escrowed in accordance with the terms of the Escrow Agreement.

(d) On March 17, 2017, the Company issued 2,500,000 Common Shares at a price of $0.005 per share for total proceeds of $12,500 in connection with the exercise of all of the Founder Warrants. All of these Common Shares will be escrowed in accordance with the terms of the Escrow Agreement.

(e) On March 31, 2017, the Company issued 2,966,002 units at a price of $0.07 per unit with each unit consisting of one Common Share of the Company and one share purchase warrant exercisable at a price of $0.14 per share for a period of two years from the date of issuance. 285,714 of the Common Shares and 285,714 of the warrants will be escrowed in accordance with the terms of the Escrow Agreement.

ESCROWED SECURITIES

In accordance with National Policy 46-201 - *Escrow for Initial Public Offerings* (previously defined as "NP 46-201"), all shares of an issuer owned or controlled by its principals are required to be placed in escrow at the time of the issuer's initial public offering, unless the shares held by the principal or issuable to the principal upon conversion of convertible securities held by the principal collectively represent less than 1% of the voting rights attaching to the total issued and outstanding securities of the issuer after giving effect to the initial public offering. Upon completion of the Offering, the Company anticipates being an "emerging issuer" as defined in NP 46-201.

The following securities of the Company (the "Escrowed Securities") are held by, and are subject to the terms of an escrow agreement dated September 6, 2017, among the Company, National Issuer Services Ltd., as escrow agent, and the holders of the Escrowed Securities, being Richard Penn, Roman Rubin, Virtus Investments Corp., Renat Mataev and Alexander Tarasov (the "Escrow Agreement"):

Designation of Class	Number of Securities Prior to Completion of the Offering	Percentage of Issued Shares Prior to Completion of the Offering	Number of Securities Prior to Completion of the minimum Offering	Percentage of Issued Shares on Completion of the minimum Offering	Number of Securities Prior to Completion of the maximum Offering	Percentage of Issued Shares on Completion of the maximum Offering
Common Shares	6,785,715	64.8%	5,049,465(1)	47.1%	5,510,715(2)	41.8%
Warrants	285,714	2.1%	285,714	2.1%	285,714	1.7%
Total	7,535,715	52.6%	5,335,179(1)	38.5%	5,796,428(2)	35.2%

Note:

(1) In order to meet the listing conditions of the Exchange, in the event of a minimum Offering, 1,736,250 Common Shares will be returned from escrow for cancellation.

(2) In order to meet the listing conditions of the Exchange, in the event of a maximum Offering, 1,275,000 Common Shares will be returned from escrow for cancellation.

As the Company anticipates being an "emerging issuer" as defined in NP 46-201, the following automatic timed releases will apply to the Common Shares held by its principals who are subject to escrow:

On the Listing 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 listing date (as defined by NP 46-201), with the remaining escrow securities being released in 15% tranches every 6 months thereafter.

Under NP 46-201, a "principal" is: (a) a person who has acted as a promoter of the Company within two years of the date of this prospectus; (b) a director or senior officer of the Company at the time of this prospectus; (c) a person that holds securities carrying more than 20% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's initial public offering; and (d) a person that: (i) holds securities carrying more than 10% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's initial public offering; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company. 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 Company 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 Company 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 Company 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 Company's Board of Directors, an individual who is an existing or newly appointed director or senior officer of the Company or of a material operating subsidiary of the Company; (b) subject to the approval of the Company's Board of Directors, a person that before the proposed transfer holds more than 20% of the voting rights attached to the Company's outstanding securities; (c) subject to the approval of the Company's Board of Directors, a person that after the proposed transfer will hold more than 10% of the voting rights attached to the Company's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Company 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 securities will be released from escrow on the Listing Date. The remaining escrowed shareholder securities which will be held in escrow immediately following the Listing Date.

In the event of the minimum Offering, 1,736,000 Common Shares will be cancelled prior to the Listing Date. On the Listing Date 504,946 Common Shares and 28,571 warrants will be released and 4,544,519 Common Shares and 257,143 warrants will still be in escrow immediately following the Listing Date. In the event of the maximum Offering, 1,275,000 Common Shares will be cancelled prior to the Listing Date. On the Listing Date 551,072 Common Shares and 28,571 warrants will be released and 4,959,644 Common Shares and 257,143 warrants will still be in escrow immediately following the Listing Date.

PRINCIPAL SHAREHOLDERS

As at the date of this prospectus, 10,466,003 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 and Type of Ownership	Type of Ownership	Number and Class of Shares Owned	Percentage of Common Shares Owned Prior to Giving Effect to the Offering	Number and Class of Shares Owned After Minimum Offering	Percentage of Common Shares Owned After Giving Effect to the Minimum Offering(1)	Number and Class of Shares Owned After Maximum Offering	Percentage of Common Shares Owned After Giving Effect to the Maximum Offering(1)
Richard Penn	Direct	3,250,000 Common Shares	31.1%	2,381,875 Common Shares	22.2%	2,612,500 Common Shares	19.8%
Roman Rubin	Direct and Indirect(2)	3,000,001 Common Shares	28.7%	2,131,876 Common Shares	19.9%	2,362,501 Common Shares	17.9%

Notes:

(1) Assuming that no Common Shares are purchased by these persons under the Offering and after accounting for the cancellation of 1,736,250 Common shares in the event of a minimum Offering and 1,275,000 Common Shares in the event of a maximum Offering.

(2) Includes 250,000 Common Shares held by Virtus Investments Corp. a company owned by Mr. Rubin.

DIRECTORS AND EXECUTIVE OFFICERS

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

Name, Municipality of Residence and Age	Principal Occupations during past five years	Position with the Company	Director or Officer Since	Securities Held [(2)]	Percentage of Securities Held[(4)]
Richard Penn, 35, Vancouver, B.C.[(1)]	Director and President of R&R Consulting Ltd. (December 2014 – Present); Officer and Director of Maccabi Ventures Inc, (CNSX: MBE) (Chief Executive Officer from March 2015 – November 2016, President from November 2014 – November 2016 and Director from November 2014 – June 2017) of Maccabi Ventures Inc.; and Investment Advisor at Mackie Research Capital Corp. (August 2009 – July 2013).	Chief Executive Officer Director	May 2017 November 2016	3,250,000 Common Shares	31.1%
Roman Rubin, 33, Port Moody, B.C.	Director and Secretary of R&R Consulting Ltd. (December 2014 – Present); Chief Financial Officer, Secretary and Director of Maccabi Ventures Inc., (CNSX: MBE) (November 2014 – November 2016); VP Dealing Representative of Quantus Investments Corp. (September 2013 – April 2014); VP Wealth Management, Branch Manager & Dealing Representative of League Investment Services (September 2010 – September 2013);	Chief Financial Officer and Secretary Director	May 2017 November 2016	3,000,001 Common Shares[(3)]	28.7%
Renat Mataev, 38, Vancouver, B.C.[(1)]	Self Employed Real Estate Broker (April 2001 – Present)	Director	December 2016	410,714 Common Shares 285,714 Warrants	3.9%
Alexander Tarasov, 31, Vancouver, B.C.[(1)]	Anti-Money Laundering Investigator for Prime Hires Inc. (March 2017 – May 2017) Compliance Specialist at Citco (Canada) Inc. (May 2013 – March 2017). Finance Manager for the Attica Group (October 2010 to September 2011).	Director	December 2016	500,000 Common Shares	1.2%
Perry Grunenberg, 59 Kamloops, B.C.	Geoscientist for BC Groundwater Consulting Ltd. (January 2016 – Present). Partner at VPG Geoscience, (2006 – Present). Geoscientist for PBG Geoscience (1994 – 2012).	Director	August 2017	Nil	Nil
Total Securities				**6,785,715 Common Shares 285,714 Warrants**	**64.8%**

Notes:

(1) Member of the Audit Committee.
(2) Ownership is direct unless otherwise indicated.
(3) Includes 250,000 Common Shares held by Virtus Investments Corp. a company owned by Mr. Rubin.

(4) Percentage calculations in the above table do not include the 285,714 warrants held by Mr. Mataev.

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 Company's Articles or until such director's earlier death, resignation or removal.

Biographical Information

The following is a brief description of the background of the Directors and executive officers of the Company.

Richard Penn - *Age 35, Chief Executive Officer and Director*

Mr. Penn serves as a director and President of R&R Consulting Ltd., a private consulting company, since 2014. Mr. Penn served as a director of Maccabi Ventures Inc., a mineral exploration public company listing on the Canadian Securities Exchange, from November 2014 to June 2017. Mr. Penn also served as a President (from November 2014 to November 2016) and Chief Executive Officer (from March 2015 to November 2016) of Maccabi Ventures Inc. Mr. Penn has been a self-employed consultant providing general consulting services to public companies, since August 2013. From August 2009 to July 2013, Mr. Penn was an Investment Advisor at Mackie Research Capital Corp. Mr. Penn has completed the CSI Canadian Securities Course and the CSI Wealth Management Course.

Mr. Penn will serve as a member of the audit committee. Mr. Penn will devote approximately 75% of his time to the Company or such greater amount of time as is necessary. Mr. Penn has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Penn is an independent contractor of the Company.

Roman Rubin – *Age 33, Chief Financial Officer, Secretary and Director*

Mr. Rubin Mr. Rubin serves as a director and Secretary of R&R Consulting Ltd., a private consulting company, since 2014. Mr. Rubin served as a Chief Financial Officer, Secretary and as a director of Maccabi Ventures Inc., a mineral exploration public company listing on the Canadian Securities Exchange, from November 2014 to November 2016. Mr. Rubin was a Vice President - Dealing Representative of Quantus Investments Corp. from September 2013 to April 2014. Mr. Rubin was a Vice President - Wealth Management, Branch Manager & Dealing Representative of League Investment Services from September 2010 to September 2013.. Mr. Rubin completed the Canadian Securities Course in April of 2011.

Mr. Rubin will be responsible for the accounting activities of the Company. Mr. Rubin will devote approximately 75% of his time to the Company or such greater amount of time as is necessary. Mr. Rubin has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Rubin is an independent contractor of the Company.

Renat Mataev - *Age 38, Director*

Mr. Mataev, has been a self employed real estate broker for over 15 years, specializing in luxury home sales and development. Mr. Mataev was a high rise building property manager for Tridel from January 2007 to January 2011. Mr. Mataev, was also Financial Adviser for RBC Royal bank from April 2002 to July 2004 specializing in asset management for VIP clientele. Mr. Mataev is fluent in English, Russian, French and Hebrew. Mr. Mataev has a BA in Political Science and Economics from York University.

Mr. Mataev will serve as a member of the audit committee. Mr. Mataev will devote approximately 30% of his time to the Company or such greater amount of time as is necessary. Mr. Mataev has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Mataev is an independent contractor of the Company.

Alexander Tarasov - *Age 31, Director*

Mr. Tarasov served as an anti-money laundering investigator for Prime Hires Inc. from March 2017 to May 2017. Mr. Tarasov was a compliance specialist for Citco (Canada) Inc. from May 2013 to March 2017. Citco provides niche financial services to hedge funds, private equity and real estate firms, institutional banks, Global 1000 companies, and high net worth individuals. Mr. Tarasov was employed as finance manager of Attica Group in Russia from October 2010 to September 2011. Mr. Tarasov is a certified anti-money laundering specialist from the Association of Certified Anti-Money Laundering Specialists. Mr. Tarasov has a Business Accounting Diploma from Sheridan Business School in Ontario and a Master's Degree in Economics and Business Administration from Kazan State Technical University in Russia.

Mr. Tarasov will serve as a member of the audit committee. Mr. Tarasov will devote approximately 40% of his time to the Company or such greater amount of time as is necessary. Mr. Tarasov has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Tarasov is an independent contractor of the Company.

Perry Grunenberg - *Age 59, Director*

Mr. Grunenberg has served as a Geoscientist for BC Groundwater Consulting Ltd., a private exploration consulting firm, since January 2016. Mr. Grunenberg has also served as a Partner at VPG Geoscience, private mineral exploration firm since 2006. Mr. Grunenberg has served as a Volunteer for the Association for Mineral Exploration BC since January 2015. Mr. Grunenberg was also a regional group appointee director for the Association for Mineral Exploration BC from January 2012 to January 2015. Mr. Grunenberg was a Geoscientist for PBG Geoscience from 1994 to 2012. Mr. Grunenberg holds a BSC in Geology from the University of British Columbia, as well as a variety of post-graduate certificates and is member of the Professional Engineers and Geoscientists of BC.

Mr. Grunenberg will devote approximately 40% of his time to the Company or such greater amount of time as is necessary. Mr. Grunenberg has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Grunenberg is an independent contractor of the Company.

Cease Trade Orders

No, director or executive officer of the Company, is or has been, within the ten years preceding the date of this prospectus, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; 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, chief executive officer or chief financial officer.

For the purposes of this prospectus, an "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to an exemption under securities legislation, and such order was in effect for a period of more than 30 consecutive days.

Bankruptcies

No director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been, within the ten years preceding the date of this prospectus:

(a) a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency; or

(b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 individual.

Penalties or Sanctions

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

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

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

Personal Bankruptcies

No director or executive officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company or a personal holding company of any such persons has, within the ten years before the date of this prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

Conflicts of Interest

There are no existing material conflicts of interest between the Company and any Director or officer of the Company. Directors and officers of the Company may serve as directors and/or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, certain Directors of the Company may have a conflict of interest in negotiating and conducting terms in respect of any transaction involving such companies. In the event that such conflict of interest arises at a meeting of the Board, a Director who has such a conflict is required to disclose such conflict and abstain from voting for or against the approval of such transaction.

The information as to ownership of securities of the Company, 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 Company individually in respect of himself or herself.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company's executive compensation program during the most recently completed financial year ended April 30, 2017 was administered by the Company's Board of Directors. The Board of Directors was solely responsible for determining the compensation to be paid to the Company's executive officers and evaluating their performance. The Board of Directors has not adopted any specific policies or objective for determining the amount or extent of compensation for directors or officers.

Significant Elements

The significant elements of compensation for the Company's "Named Executive Officers", being the Chief Executive Officer, the Chief Financial Officer and the three other most highly compensated executive officers whose total compensation exceeds $150,000, will be a cash salary and stock options. The Company does not presently have a long-term incentive plan for its Named Executive Officers. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board of Directors reviews annually the total compensation package of each of the Company's executives on an individual basis.

Cash Salary

The Company'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 Company.

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

Stock Options

The Company's Stock Option Plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. Stock option grants are based on the total of stock options available under the Stock Option Plan. In granting stock options, the Board of Directors reviews the total of stock options available under the Stock Option Plan and recommends grants to newly retained executive officers at the time of their appointment, and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when determining whether and how new option grants should be made to the executive. The exercise periods are to be set at the date of grant. The stock option grants may contain vesting provisions in accordance to the Company's Stock Option Plan.

As of the date hereof, the Company has not granted any options to its directors and officers. See "Options to Purchase Securities" above.

Employment and Consulting Agreements

The Company has not entered into written employment or consulting agreements with its Chief Executive Officer and its Chief Financial Officer. The Company has agreed to pay its Chief Executive Officer a total of $2,500 per month and its Chief Financial Officer a total of $2,500 per month.

Summary Compensation Table

The following table sets forth information about compensation paid to, or earned by, the Company's Named Executive Officers during the period from Inception to April 30, 2017.

Name and Principal Position	Year	Salary ($)	Share Based Awards ($)	Option Based Awards ($)	Non Equity Incentive Plan Compensation ($)		Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
					Annual Incentive Plans	Long Term Incentive Plans ($)			
Richard Penn Chief Executive Officer	2017	15,000	NIL	NIL	NIL	NIL	NIL	18,750[(1)]	33,750
Roman Rubin Chief Financial Officer & Secretary	2017	15,000	NIL	NIL	NIL	NIL	NIL	18,750[(2)]	33,750

Note:

(1) Relates to the recording of share based compensation in connection with the sale of 1,250,000 units at a price of $0.005 per unit to Mr. Penn; and
(2) Relates to the recording of share based compensation in connection with the sale of 1,250,000 units at a price of $0.005 per unit to Mr. Rubin.

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 year ended April 30, 2017.

Name	Option Based Awards				Share Based Awards	
	Number of Securities underlying unexercised options (#)	Option exercise price ($)	Option Expiration Date	Value of unexercised in-the-money options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)
Richard Penn Chief Executive Officer	NIL	N/A	N/A	N/A	N/A	N/A
Roman Rubin Chief Financial Officer & Secretary	NIL	N/A	N/A	N/A	N/A	N/A

As of the date of this prospectus, the Company 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 Company's Directors for the period from Inception to April 30, 2017.

Name	Fees Earned ($)	Share-based awards ($)	Option-based Awards ($)	Non-Equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
Renat Mataev	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Alexander Tarasov	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 Company 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 company 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 inception on November 18, 2016, 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 Company either pursuant to an employee stock purchase program of the Company 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 Company.

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 May 8, 2017, 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 Company's audit committee:

Richard Penn	Not Independent	Financially Literate
Renat Mataev	Independent	Financially Literate
Alexander Tarasov	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 Company'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:

Richard Penn: Mr. Penn served as a Chief Executive Officer, President and as a director of Maccabi Ventures Inc., a mineral exploration public company listed on the Canadian Securities Exchange. Mr. Penn also serves as a director and President of R&R Consulting Ltd., a private consulting company, since 2014. Mr. Penn has been a self-employed consultant providing general consulting services to public companies, since August 2013. From August 2009 to July 2013, Mr. Penn was an Investment Advisor at Mackie Research Capital Corp. Mr. Penn has completed the CSI Canadian Securities Course and the CSI Wealth Management Course. Accordingly, Mr. Penn has the ability to understand financial statements relating to junior mineral resource companies.

Renat Mataev: Mr. Mataev, has been a self employed real estate broker for over 15 years, specializing in luxury home sales and development. Mr. Mataev was a high rise building property manager for Tridel from January 2007 to January 2011. Mr. Mataev, was also Financial Adviser for RBC Royal bank from April 2002 to July 2004 specializing in asset management for VIP clientele. Mr. Mataev is fluent in English, Russian, French and Hebrew. Mr. Mataev has a BA in Political Science and Economics from York University.

Alexander Tarasov: Mr. Tarasov served as an anti-money laundering investigator for Prime Hires Inc. from March 2017 to May 2017. Mr. Tarasov was a compliance specialist for Citco (Canada) Inc. from May 2013 to March 2017. Citco provides niche financial services to hedge funds, private equity and real estate firms, institutional banks, Global 1000 companies, and high net worth individuals. Mr. Tarasov was employed as finance manager of Attica Group in Russia from October 2010 to September 2011. Mr. Tarasov is a certified anti-money laundering specialist from the Association of Certified Anti-Money Laundering Specialists. Mr. Tarasov has a Business Accounting Diploma from Sheridan Business School in Ontario and a Master's Degree in Economics and Business Administration from Kazan State Technical University in Russia.

Audit Committee Oversight

At no time since the commencement of the Company'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 Company's most recently completed financial year has the Company 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 Company'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 Company by the Auditor.

External Auditor Fees

The aggregate fees billed to the Company for the services provided by the external auditor for the fiscal year ended April 30, 2017 are as follows:

	Period from Inception to April 30, 2017
Audit Fees	5,000
Audit-Related Fees	-
Tax Fees	-
All Other Fees	-
Total	5,000

Exemption

The Company 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 the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in an annual information form as prescribed by NI 52-110.

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 Company. 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 Company's corporate governance practices are summarized below:

Board of Directors

The Board of Directors is currently comprised of four 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 Company. 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. Perry Grunenberg, Renat Mataev and Alexander Tarasov are independent directors of the Company, as aside from Common Shares held by them they have no ongoing interest or relationship with the Company other than serving as directors. Neither Richard Penn nor Roman Rubin are independent directors because of their respective positions as executive officers of the Company.

Directorships

None of the Directors of the Company are directors of other reporting issuers.

Orientation and Continuing Education

The Board of Directors provides an overview of the Company's business activities, systems and business plan to all new directors. New director candidates have free access to any of the Company'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 Company. 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 Company and to meet responsibilities to shareholders. Generally, the Board of Directors has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board 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 Company.

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 Company. Certain of the Directors of the Company 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 Company. 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 Company. 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 Company's business ventures and the Company's financial position. See "Executive Compensation".

Other Board Committees

The Company 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 Company's small size and the Company'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.

PLAN OF DISTRIBUTION

Offering

Under the Agency Agreement the Company has appointed the Agent on a commercially reasonable efforts basis to offer for sale a minimum of 2,000,000 and a maximum of 4,000,000 Common Shares of the Company at a price of $0.10 per Common Shares for minimum gross proceeds of $200,000 and maximum gross proceeds of $400,000. The issue price of $0.10 per Common Share was determined by negotiation between the Company and the Agent in accordance with the policies of the Exchange.

The completion of the Offering is subject to a minimum subscription of Common Shares for minimum gross proceeds of $200,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the minimum subscription of $200,000 has been raised. In the event that the minimum subscription is not attained by the end of the period of the Offering, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction.

The Company has agreed not to, directly or indirectly, issue, sell or grant or agree to announce any intention to issue, sell or grant, any additional equity or quasi-equity securities for a period of 90 days after the Closing of the Offering without the prior written consent of the Agent, such consent not to be unreasonably withheld, except in conjunction with: (i) the grant or exercise of stock options and other similar issuances pursuant to the share incentive plan of the Company and other share compensation arrangements; (ii) obligations in respect of existing mineral property agreements; and (iii) the issuance of securities in connection with property or share acquisitions in the normal course of business.

Subscriptions for Common Shares will be received subject to rejection or allotment in whole or in part and the right is reserved by the Company to close the subscription books at any time without notice. It is expected that the Closing of the Offering will occur on a date agreed upon by the Company and the Agent, but not later than the date that is 90 days after a receipt is issued for the final prospectus or if a receipt has been issued for an amendment to the final prospectus, within 90 days of issuance of such receipt and in any event not later than 180 days from the date of receipt of the final prospectus. It is expected that share certificates evidencing the Common Shares will be available for delivery on the Closing unless the Agent elects for delivery in electronic book entry form through CDS Clearing and Depository Services Inc. ("CDS") or its nominee. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased.

There is currently no market through which any of the securities of the Company, including the Common Shares, may be sold and purchasers and holders thereof may not be able to resell or dispose of any of the securities purchased, distributed or qualified under this prospectus.

The Company has agreed to indemnify the Agent and its directors, officers, employees, shareholders and agents against all liabilities arising directly or indirectly from the Agency Agreement. Notwithstanding the above, the indemnity does not include claims arising from gross negligence, dishonesty, or wilful misconduct of the Agent.

The obligations of the Agent under the Agency Agreement may be terminated at the Agent's discretion upon the occurrence of certain stated events. The Agent is not obligated to purchase any of the Common Shares under the Offering.

Agent's Commission

The Company has agreed to pay to the Agent a cash commission equal to 8% of the aggregate gross proceeds of the Offering in consideration for its services in connection with the Offering. Such commission, together with all other expenses of the Offering, will be paid by the Company out of the proceeds of the Offering. The Company has also agreed to pay to the Agent the Work Fee of $15,000, plus applicable taxes upon Closing of the Offering.

As additional compensation, on the Closing, the Company has agreed to grant to the Agent the Agent's Option exercisable to acquire that number of Common Shares that is equal to 8% of the number of Common Shares sold pursuant to this Offering at the price of $0.10 per Common Share for a period 24 months from the Closing. The Agent's Option will be qualified under this prospectus.

Listing of Common Shares on the Exchange

The Exchange has conditionally accepted the listing of the Company's Common Shares. Listing is subject to the Company fulfilling all of the requirements of the Exchange.

As of the date of this prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, 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 Company 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 Company. The Directors consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not necessarily comprise all those associated with an investment in the Company 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 Company's business.

If any of the following risks actually occur, the Company'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 Company has an unlimited number of Common Shares that may be issued by the Board of Directors without further action or approval of the Company'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 Company's shareholders.

Dilution

The financial risk of the Company's future activities will be borne to a significant degree by purchasers of the Common Shares. If the Company issues Common Shares from its treasury for financing purposes, control of the Company 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 Company 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 Company 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 Company has no history of earnings and had negative cash flow from operating activities since inception. The Goldsmith Property is in the exploration stage and there are no known mineral resources or reserves and the proposed exploration program on the Goldsmith Property is exploratory in nature. Significant capital investment will be required to achieve commercial production from the Company's existing projects. There is no assurance that the Goldsmith Property will generate earnings, operate profitably or provide a return on investment in the future. Accordingly, the Company 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 Company. The value of the Common Shares distributed hereunder will be affected by such volatility.

Use of Funds

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

Insufficient Funds for Phase 2 Work Program

In the event of the minimum or maximum Offering, the Company will have insufficient funds to complete Phase 2 of the recommended work program on the Goldsmith Property. The Company will need to raise additional financing to commence exploration activities beyond Phase 1.

No Production History

The Goldsmith Property is not a producing property and its ultimate success will depend on its operating ability to generate cash flow from producing properties in the future. The Company has not generated any revenue to date and there is no assurance that it will do so in the future.

The Company'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 Company proposes to undertake.

Limited Operating History

The Company 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 Company 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 Company's existing projects. There is no assurance that the Company 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 Goldsmith Property does 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 Company'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 Company'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 Company 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 Company'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 Company 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 Company is required to expend required amounts on the mineral claims of the Goldsmith Property in order to maintain them in good standing. If the Company is unable to expend these amounts, the Company may lose its title thereto on the expiry date(s) of the relevant mineral claims on the Goldsmith Property. There is no assurance that, in the event of losing its title to mineral claims, the Company 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 Company 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 Goldsmith 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 Goldsmith 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 Company's activities. Such impact could be marked and, in certain circumstances, could delay or even prevent the Company's exploration or mining activities.

Assurance of Title

The Company has taken all reasonable steps to attempt to ensure that proper title to the Goldsmith 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 Company, there is no guarantee that title to such Goldsmith Property will not be challenged or impugned. The Company'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 Goldsmith Property

The Goldsmith Option Agreement pursuant to which the Company acquired its interest in the Goldsmith Property requires the Company 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 Goldsmith Property. If the Company fails to make such payments or expenditures within the prescribed time periods, the Company may lose its interest in the Goldsmith Property without any recourse.

Possible Failure to Obtain Mining Licenses

Even if the Company does complete the required exploration activities on the Goldsmith 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 Company 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 Company's Directors and officers act as directors and/or officers of other mineral exploration companies. As such, the Company's Directors and officers may be faced with conflicts of interests when evaluating alternative mineral exploration opportunities. In addition, the Company's Directors and officers may prioritize the business affairs of another Company over the affairs of the Company.

Personnel

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

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 Company'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 Company.

Environmental Risks and Other Regulatory Requirements

Inherent with mining operations is an environmental risk. The current or future operations of the Company, including exploration and development activities and commencement of production on the Goldsmith 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. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production as a result of needing to comply with applicable laws, regulations and permits. There can be no assurance that all permits that the Company requires for future, exploration, development, construction and operation of mining facilities and the conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on the operations of the Company.

The legal framework governing this area is constantly developing, therefore the Company 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 Company, 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 Company'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 Company's activities and, in particular, the proposed exploration and mining by the Company within the Province of British Columbia.

Uninsured Risks

The Company, 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 Company is currently uninsured against all such risks as such insurance is either unavailable or uneconomic at this time. The Company also currently has no keyman insurance or property insurance as such insurance is uneconomical at this time. The Company will obtain such insurance once it is available and, in the opinion of the Directors, economical to do so. The Company may incur a liability to third parties (in excess of any insurance coverage) arising from pollution or other damage or injury.

The Company 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 Company does become subject to environmental liabilities, the costs of such liabilities would reduce or eliminate the Company's available funds or could result in bankruptcy. Should the Company 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 Goldsmith 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 Company's operations and/or financial condition.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to subscribing for the securities.

Additional Requirements for Capital

Substantial additional financing will be required if the Company is to be successful in pursuing its ultimate strategy of discovering and extracting mineral resources. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future 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 Company, if at all. If the Company 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 Goldsmith 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 Company'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 Company and its proposed operations, and some which may affect the sectors in which the Company operates. Such factors could include the performance of the Company'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 Company, and general market and economic conditions.

General

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

Although the Directors will seek to minimise the impact of the risk factors, an investment in the Company 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

Richard Penn the Company's Chief Executive Officer and Director, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Penn owns 3,250,000 Common Shares of the Company, which is 31.1% of the Common Shares outstanding prior to giving effect to the Offering. See "Principal Shareholders", "Directors and Executive Officers" and "Executive Compensation".

Roman Rubin, the Company's Chief Financial Officer, Secretary and Director, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Rubin owns 3,000,001 Common Shares of the Company, which is 28.7% 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 proceedings that the Company is or was a party to, or that any of the Company's property is or was the subject of, since November 18, 2016, that were or are material to the Company, and there are no such material legal proceedings that the Company knows to be contemplated.

There were no: (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since inception on November 18, 2016; (ii) other penalties or sanctions imposed by a court or regulatory body against the Company that the Company believes must be disclosed for this prospectus to contain full, true and plain disclosure of all material facts relating to the Common Shares; or (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since inception on November 18, 2016.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the Directors or executive officers of the Company, 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 Company or any of its subsidiaries.

RELATIONSHIP BETWEEN COMPANY AND AGENT

The Company is not a "related issuer" or a "connected issuer" of or to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriter Conflicts*).

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Jackson & Company, located at 800 – 1199 West Hastings Street, Vancouver B.C. V6E 3T5.

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 Company 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. Goldsmith Option Agreement dated November 30, 2016 between the Company, John Denny and Robert Denny. See “Business of the Company”.

2. Stock Option Plan adopted May 8, 2017. See “Description of the Securities Distributed”.

3. Addendum to the Goldsmith Option Agreement dated June 14, 2017, between the Company, John Denny and Robert Denny.

4. Escrow Agreement dated September 6, 2017 among the Company, National Issuer Services Ltd., and Richard Penn, Roman Rubin, Virtus Investments Corp., Renat Mataev, and Alexander Tarasov. See “Escrowed Securities”.

5. Agency Agreement dated September 8, 2017 between the Company and Mackie Research Capital Corporation See “Plan of Distribution”.

EXPERTS

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

(a) Linda Dandy, P. Geo. of Atlin, British Columbia, 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 Goldsmith Property.

(b) The audited financial statements included in this prospectus have been subject to audit by Jackson & Company, and their audit report is included herein. Jackson & Company, 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 Offering will be passed upon on behalf of the Company by Northwest Law Group and Koffman Kalef LLP, and on behalf of the Agent by Miller Thomson 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 Company or of its associates or affiliates when such person or company prepared the report, valuation, statement or opinion aforementioned or thereafter.

ELIGIBILITY FOR INVESTMENT

In the opinion of Koffman Kalef LLP, tax counsel to the Company, based on the provisions of the Income Tax Act (Canada) (the “Tax Act”), and the regulations thereunder in force as of the date hereof, the Common Shares issued pursuant to the Offering, if issued on the date hereof, will be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan (“RRSP”), a registered retirement income fund (“RRIF”), a registered education savings plan (“RESP”), a deferred profit sharing plan, a registered disability savings plan (“RDSP”) and a tax-free savings account (“TFSA”) as those terms are defined in the Tax Act, provided that the Common Shares are listed on a “designated stock exchange” as defined in the Tax Act (which includes the Canadian Securities Exchange) or the Company is otherwise a “public corporation” as defined in the Tax Act.

Notwithstanding that such Common Shares may be a qualified investment for an RRSP, RRIF, TFSA, RDSP, or RESP (each a “Registered Plan”), the annuitant thereunder or holder thereof, as the case may be, will be subject to a penalty tax in respect of the Common Shares held in such Registered Plan if the Common Shares are a “prohibited investment” for such Registered Plan for purposes of the Tax Act. The Common Shares generally will not be a “prohibited investment” if the annuitant under or holder of the Registered Plan, as the case may be, (i) deals at arm’s length with the Company for purposes of the Tax Act, and (ii) does not have a “significant interest” (as defined in the Tax Act) in the Company.

In addition, the Common Shares will not be a “prohibited investment” if the Common Shares are “excluded property” as defined in the Tax Act for a Registered Plan. Purchasers of Common Shares should consult their own advisors to ensure the Common Shares would not be a prohibited investment in their particular circumstances.

RIGHTS OF WITHDRAWAL AND RESCISSION

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

FINANCIAL STATEMENTS

Audited financial statements of the Company for the period from inception on November 18, 2016 to April 30, 2017 are included in this prospectus.

BLACK TUSK RESOURCES INC.

Financial Statements

For the 163-Day Period Ended April 30, 2017

(Expressed in Canadian Dollars)

JACKSON & COMPANY
Chartered Accountants

800 – 1199 West Hastings Street
Vancouver, British Columbia
Canada V6E 3T5
Telephone: +1 604 630 3838
Facsimile: +1 888 241 5996

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Black Tusk Resources Inc.,

We have audited the accompanying financial statements of Black Tusk Resources Inc. which comprise the statements of financial position as at April 30, 2017 and the statements of comprehensive loss, cash flows, and changes in equity for the period from November 18, 2016 (date of inception) to April 30, 2017, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Black Tusk Resources Inc. as at April 30, 2017 and its financial performance and cash flows for the periods then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 in the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Black Tusk Resources Inc. to continue as a going concern.

Jackson & Company
CHARTERED PROFESSIONAL ACCOUNTANTS

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
September 8, 2017

BLACK TUSK RESOURCES INC.
Statement of Financial Position
April 30, 2017
(Expressed in Canadian Dollars)

		November 18, 2016 (inception) to April 30, 2017
Assets		
Current		
Cash	$	113,557
GST receivable		4,928
Deposits and prepaids		31,400
		149,885
Exploration and Evaluation Asset (note 6)		81,815
Total assets	$	231,700
Liabilities		
Current		
Accounts payable	$	9,761
Shareholders' Equity		
Share Capital (note 7)		282,621
Reserves		37,500
Deficit		(98,182)
Total shareholders' equity		221,939
Total liabilities and shareholders' equity	$	231,700

Approved on behalf of the Board:

"Roman Rubin"
.... Director
Roman Rubin

"Richard R. Penn"
.... Director
Richard R. Penn

The accompanying notes are an integral part of these financial statements.

BLACK TUSK RESOURCES INC.
Statement of Operations and Comprehensive Loss
163-Day Period Ended April 30
(Expressed in Canadian Dollars)

		November 18, 2016 (inception) to April 30, 2017
Expenses		
Bank and interest charges	$	233
Consulting fees		7,000
Management fees (note 8)		30,000
Office expenses		100
Professional fees		8,912
Stock-based compensation (note 7)		37,500
Travel		14,437
Net and Comprehensive Loss for the Period	$	98,182
Basic and Diluted Loss per Share	$	0.02
Weighted Average Number of Common Shares Outstanding – Basic and Diluted		5,936,979

The accompanying notes are an integral part of these financial statements.

BLACK TUSK RESOURCES INC.
Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserves	Deficit	Total
Balance, November 18, 2016 (Inception)	**-**	**$ -**	**$ -**	**$ -**	**$ -**
Shares issued for cash	7,966,003	270,121	-	-	270,121
Shares issued for exercise of warrants	2,500,000	12,500	-	-	12,500
Stock-based compensation (Note 7)	-	-	37,500	-	37,500
Net loss and comprehensive loss for the period	-	-	-	(98,182)	(98,182)
Balance, April 30, 2017	**10,466,003**	**$ 282,621**	**37,500**	**$ (98,182)**	**$ 221,939**

The accompanying notes are an integral part of these financial statements.

BLACK TUSK RESOURCES INC.
Statement of Cash Flows
163-Day Period Ended April 30
(Expressed in Canadian Dollars)

		November 18, 2016 (inception) to April 30, 2017
Operating Activities		
Net loss	$	(98,182)
Items not affecting cash:		
Stock-based compensation		37,500
Changes in non-cash working capital:		
GST receivable		(4,928)
Deposits and prepaids		(31,400)
Accounts payable and accrued liabilities		9,761
Cash Used in Operating Activities		(87,249)
Investing Activity		
Exploration and evaluation expenditures		(81,815)
Cash Used in Investing Activity		(81,815)
Financing Activity		
Issuance of common shares for private placements		270,121
Issuance of common shares for warrant exercises		12,500
Cash Provided by Financing Activity		282,621
Increase in Cash		113,557
Cash, Beginning of Period		-
Cash, End of Period	$	113,557

The accompanying notes are an integral part of these financial statements.

1. NATURE OF OPERATIONS

Black Tusk Resources Inc. (the “Company”) was incorporated under the *Business Corporations Act* on November 18, 2016 in the province of British Columbia. The Company operates in a single business segment focusing on mineral exploration in Canada.

The principal business office of the Company is located at #704 – 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

2. GOING CONCERN UNCERTAINTY

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

Several adverse conditions cast significant doubt on the validity of this assumption. For the 163-day period ended April 30, 2017, the Company incurred a net loss of $98,182 and as at April 30, 2017, has an accumulated deficit of $98,182, has limited resources, no sources of operating cash flow and no assurances that sufficient funding will be available to continue operations for an extended period of time. The Company is in the exploration stage, and accordingly, has not yet commenced revenue-producing operations.

The application of the going concern concept is dependent upon the Company’s ability to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its mineral property interests, the attainment of profitable mining operations or the receipt of proceeds from the disposition of its mineral property interests. Management is actively engaged in the review and due diligence on opportunities of merit in the mining sector and will require and is seeking to raise the necessary capital to meet its funding requirements. There can be no assurance that management’s plan will be successful. If the going concern assumption were not appropriate for these financial statements then adjustments may be necessary in the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

3. BASIS OF PRESENTATION

Approval of the financial statements

The financial statements of the Company for the 163-day period ended April 30, 2017 were reviewed by the Audit Committee and approved and authorized for issue on September 8, 2017 by the Board of Directors of the Company.

Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board.

Basis of presentation

The financial statements are presented in Canadian dollars, which is also the Company’s functional currency. The financial statements of the Company have been prepared on an accrual basis, except for cash flow information, and are based on historical costs, except for certain financial instruments, which are stated at their fair values.

4. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses.

Significant accounting judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statement are discussed below:

The carrying value of the exploration and evaluation asset and the recoverability of the carrying value

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company.

If, after exploration and evaluation expenditures are capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount the Company carries out an impairment test at the cash-generating unit ("CGU") or group of CGUs level in the year the new information becomes available.

Significant accounting estimates and assumptions

The key estimates applied in the preparation of the financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

- The recoverability of deferred tax assets; and
- Provision for reclamation costs, among others.

Actual results could differ from those estimates. Key judgments and estimates made by management with respect to those areas noted previously have been disclosed in the notes to the financial statements, as appropriate.

Exploration and evaluation assets

Exploration and evaluation expenditures

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

Exploration and evaluation costs incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once a license to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized to exploration, and classified as a component of mineral properties. Such expenditures include, but are not limited to, exploration license expenditures, leasehold property acquisition costs, evaluation costs, including drilling costs directly attributable to a property, and directly attributable to general and administrative costs. From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and evaluation assets (continued)

Exploration and evaluation expenditures (continued)

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets are tested for impairment and transferred to “mines under construction”. No amortization is taken during the exploration and evaluation phase.

Decommissioning liabilities

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or ongoing production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other site preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through depreciation of the asset and unwinding of the discount on the provision.

Depreciation is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset. The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

Changes in the measurement of a liability, which arises during production, are charged against operating profit. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. To date the Company does not have any decommissioning liabilities.

Impairment of long-lived assets

Assets that have an indefinite useful life are tested annually for impairment. At the end of each reporting period, the Company reviews the carrying amounts of its assets that are subject to amortization to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs 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 current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of long-lived assets (continued)

Where an impairment loss subsequently reverses for assets with a finite useful life, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium. To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: fair value through profit or loss ("FVTPL"), held-to-maturity investments ("HTM"), loans and receivables, and available-for-sale ("AFS"). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of assets at recognition.

- Financial assets at fair value through profit or loss
  Financial assets at FVTPL are initially recognized at fair value with changes in fair value recorded through income. Cash and cash equivalents are included in this category of financial assets.

- Held-to-maturity investments
  HTM investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs. The Company has no assets classified as held-to-maturity.

- Loans and receivables
  Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets or non-current assets based on their maturity date. Loans and receivables are carried at amortized cost, less any impairment. The Company has no assets classified as loans and receivables.

- Available-for-sale financial assets
  AFS financial assets are non-derivatives that are either designated as available-for-sale or not classified in any of the other financial asset categories. Changes in the fair value of AFS financial assets are recognized as other comprehensive income and classified as a component of equity. Marketable securities are included in this category of financial assets.

  Management assesses the carrying value of AFS financial assets at least annually and any impairment charges are also recognized in profit or loss. When financial assets classified as AFS are sold, the accumulated fair value adjustments recognized in other comprehensive income are included in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (continued)

Financial liabilities

The Company classifies its financial liabilities in the following categories: Borrowings and other financial liabilities and derivative financial liabilities.

- Borrowings and other financial liabilities
  Borrowings and other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in the income statement over the period to maturity using the effective interest method. Borrowings and other financial liabilities are classified as current or non-current based on their maturity date. Financial liabilities include accounts payable and accrued liabilities.

- Derivative financial liabilities
  Derivative financial liabilities are initially recognized at their fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at each reporting period with changes in the fair value recognized in profit or loss. Derivative financial liabilities include warrants issued by the Company denominated in a currency other than the Company's functional currency.

Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1:	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2:	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3:	Inputs for assets or liabilities that are not based on observable market data.

Income taxes

Income tax expense consisting of current and deferred tax expense is recognized in the statements of operations and comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income taxes (continued)

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the income (loss) for the year by the weighted average number of common shares outstanding during the year. Diluted loss per share is calculated using the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding used in the calculation of diluted loss per share assumes that the deemed proceeds received from the exercise of share options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the year.

Existing share options and share purchase warrants have not been included in the computation of diluted loss per share as to do so would be anti-dilutive. Accordingly, basic and diluted loss per share is the same.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

Share capital

Proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company. Share capital issued for non-monetary consideration is valued at the closing market price at the date of issuance. The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to share capital based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the warrants reserve. Consideration received for the exercise of options or warrants is recorded in share capital and the related residual value is transferred to share capital. For those warrants that expire, the recorded value is transferred to expired warrants reserve in equity.

New and revised accounting standards issued but not yet effective

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been early-adopted by the Company.

Management anticipates that all of the pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards and interpretations have been issued, but are not expected to have an impact on the Company's financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

New and revised accounting standards issued but not yet effective (continued)

IFRS 9 Financial Instruments

Issued by the IASB July 2014, effective for the Company's annual periods beginning May 1, 2018.

IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement* and IFRIC 9 *Reassessment of Embedded Derivatives*. The final version of this new standard supersedes the requirements of earlier versions of IFRS 9. However, for annual periods beginning before January 1, 2018, an entity may elect to apply those earlier versions instead of applying the final version of this new standard if its initial application date is before February 1, 2015.

The main features introduced by this new standard compared with predecessor IFRS are as follows:

- Classification and measurement of financial assets:
  Debt instruments are classified and measured on the basis of the entity's business model for managing the asset and its contractual cash flow characteristics as either: “amortized cost”, “fair value through other comprehensive income”, or “fair value through profit or loss” (default). Equity instruments are classified and measured as “fair value through profit or loss” unless upon initial recognition elected to be classified as “fair value through other comprehensive income”.

- Classification and measurement of financial liabilities:
  When an entity elects to measure a financial liability at fair value, gains or losses due to changes in the entity’s own credit risk is recognized in other comprehensive income (as opposed to previously profit or loss). This change may be adopted early in isolation of the remainder of IFRS 9.

- Impairment of financial assets:
  An expected credit loss impairment model replaced the incurred loss model and is applied to financial assets at “amortized cost” or “fair value through other comprehensive income”, lease receivables, contract assets or loan commitments and financial guarantee contracts. An entity recognizes twelve-month expected credit losses if the credit risk of a financial instrument has not increased significantly since initial recognition and lifetime expected credit losses otherwise.

- Hedge accounting:
  Hedge accounting remains a choice, however, is now available for a broader range of hedging strategies. Voluntary termination of a hedging relationship is no longer permitted. Effectiveness testing now needs to be performed prospectively only. Entities may elect to continue to applying IAS 39 hedge accounting on adoption of IFRS 9 (until the IASB has completed its separate project on the accounting for open portfolios and macro hedging).

5. FINANCIAL INSTRUMENTS

Financial instruments are agreements between two parties that result in promises to pay or receive cash or equity instruments. The Company classifies its financial instruments as follows: cash is classified as financial assets at FVTPL; and accounts payable and accrued liabilities, as other financial liabilities, which are measured at amortized cost. The carrying values of these instruments approximate their fair values due to their short term to maturity.

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing cash at major Canadian financial institutions. The Company has minimal 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's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of April 30, 2017 equal $3,413. All of the liabilities presented as accounts payable are due within 90 days of April 30, 2017.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital.

As at April 30, 2017, the Company is not exposed to significant market risk.

6. EXPLORATION AND EVALUATION ASSET

Goldsmith Property

On November 30, 2016, the Company entered into an option agreement to purchase the claims in Goldsmith Property. In order to exercise its option, the Company must make cash payment of $100,000 as follows:

- $5,000 upon execution of the agreement (paid);
- an additional $7,000 on the Initial Public Offering of the Company;
- an additional $13,000 on or before November 30, 2017;
- an additional $20,000 on or before November 30, 2018;
- an additional $25,000 on or before November 30, 2019;
- an additional $30,000 on or before November 30, 2020.

(Expressed in Canadian Dollars, unless otherwise stated)

6. EXPLORATION AND EVALUATION ASSET (continued)

Goldsmith Property (continued)

The Company must also issue 400,000 common shares of the Company as follows:

- 200,000 common shares on the Initial Public Offering of the Company;
- an additional 200,000 common shares on or before November 30, 2020.

The Company must make all government payments in order to maintain the mineral claims in good standing. The Optionors retain a 2% net smelter royalty ("NSR") on the Goldsmith Property. The Company may purchase the first 1% of the NSR by paying the Optionors $500,000.

	Goldsmith Property
Balance, November 18, 2016	**-**
Acquisition Costs	
Cash	5,000
Total Acquisition Costs	5,000
Deferred Exploration Costs	
Geology & geophysical costs	45,130
Exploration costs	31,685
Total Deferred Exploration Costs	76,815
Balance, April 30, 2017	**81,815**

(Expressed in Canadian Dollars, unless otherwise stated)

7. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value

Issued

For the 163-Day Period Ended April 30, 2017

On November 18, 2016, the Company issued 1 common share at a price of $1.00 per share.

On November 25, 2016, the Company issued 2,500,000 founder units at a price of $0.005 per share for proceeds of $12,500. Each founder unit consists of one common share of the Company and one share purchase warrant. Each warrant is exercisable by the holder to acquire an additional common share of the Company for a period of two years at an exercise price of $0.005. The estimated fair-value of the 2,500,000 units issued was estimated to be $50,000. Accordingly, the Company recorded share-based compensation expense of $37,500, and a corresponding increase to contributed surplus as a result of the issuance of founders' shares below fair-value.

During the period ended April 30, 2017, the Company issued 2,500,000 shares at a price of $0.02 per share for proceeds of $50,000.

During the period ended April 30, 2017, the Company issued 2,966,002 units at a price of $0.07 per unit for proceeds of $207,620. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant is exercisable by the holder to acquire an additional common share of the Company for a period of two years at an exercise price of $0.14. Of the 2,966,002 issued common shares, 387,286 were issued on a flow-through basis. As of April 30, 2017, the Company incurred $76,815 in eligible exploration expenditures related to the flow-through shares.

For the purpose of calculating the tax effect of any premium related to the issuance of the flow-through shares, the Company reviewed recent financings and compared it to determine if there was a premium paid on the shares. The flow-through shares were issued at the same price as common shares without preferential tax treatment therefore the Company did not recognize any premiums.

Warrants

The changes in warrants during the 163-day period ended April 30, 2017 are summarized as follows:

	2017	
	Number of Warrants	Weighted Average Exercise Price
Outstanding, beginning of period	-	-
Issued	5,466,002	$ 0.08
Exercised	(2,500,000)	$ 0.005
Outstanding, end of period	2,966,002	$ 0.14

(Expressed in Canadian Dollars, unless otherwise stated)

7. SHARE CAPITAL (continued)

Warrants (continued)

A summary of warrants outstanding at April 30, 2017 is as follows:

Expiry Date	Weighted Average Remaining Contractual Life in Years	Exercise Price	Warrants Outstanding
March 31, 2019	1.87	$ 0.14	2,966,002

Escrow Shares

As at April 30, 2017, the Company has 2,500,000 escrow shares subject to the following schedule:

10% released upon the Company completing its Initial Public Offering ("IPO")
15% released 6 months after the IPO
15% released 12 months after the IPO
15% released 18 months after the IPO
15% released 24 months after the IPO
15% released 30 months after the IPO
15% released 36 months after the IPO

8. RELATED PARTY TRANSACTIONS

Key management personnel compensation for the 163-day period ended April 30, 2017 is as follows:

		2017
Management fees	$	30,000
Share-based compensation		37,500
	$	67,500

9. INCOME TAXES

Income tax expense differs from the amount that would be computed by applying the Canadian statutory income tax rate of 26% to income before income taxes.

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

		2017
Net loss for the period	$	98,182
Statutory income tax rate		26%
Income tax benefit computed at statutory tax rate		25,527
Adjustments:		
Permanent differences and others		(11,050)
Change in deferred tax assets not recognized		(14,447)
Deferred Income tax recoverable	$	-

9. INCOME TAXES (continued)

The Company has non-capital losses of $98,182 available for carry-forward to reduce future years' income for income tax purposes. These losses expire in 2037.

10. CAPITAL MANAGEMENT

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will continue this method of financing due to the current difficult market conditions.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

Management reviews the capital structure on a regular basis to ensure that the above objectives are met. There have been no changes to the Company’s approach to capital management during the 163-day period ended April 30, 2017. The Company is not subject to external restrictions on its capital.

SCHEDULE "A" - AUDIT COMMITTEE CHARTER

I. MANDATE

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of Black Tusk Resources Inc. (the "Company") shall assist the Board in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company's financial statements and other financial information;

2. The compliance of such statements and information with legal and regulatory requirements;

3. The qualifications and independence of the Company's independent external auditor (the "Auditor"); and

4. The performance of the Company's internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee shall be comprised of three or more members.

B. Qualifications

Each member of the Committee must be a member of the Board.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement.

C. Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Meetings

The Committee shall meet as frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

III. DUTIES

A. <u>Introduction</u>

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.

2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.

3. Require the Auditor to report directly to the Committee.

4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance & Completion by Auditor of its Work

1. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the Auditor regarding financial reporting.

2. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.

3. Recommend to the Board the compensation of the Auditor.

4. Pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

Internal Financial Controls & Operations of the Company

1. Establish procedures for:

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

(b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

1. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

2. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.

3. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

4. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

5. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:

    (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.

    (b) The management inquiry letter provided by the Auditor and the Company's response to that letter.

    (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

1. Review the Company's annual and interim financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.

2. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.

3. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

1. Consult, to the extent it deems necessary or appropriate, with the Auditor, but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

2. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

3. Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions.

4. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.

5. Make regular reports to the Board.

6. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

7. Annually review the Committee's own performance.

8. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.

9. Not delegate these responsibilities.

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

CERTIFICATE OF THE COMPANY

Dated: September 8, 2017

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

"Richard Penn" (signed)	*"Roman Rubin" (signed)*
Richard Penn Chief Executive Officer	Roman Rubin Chief Financial Officer and Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

"Renat Mataev" (signed)	*"Alexander Tarasov" (signed)*
Renat Mataev Director	Alexander Tarasov Director

CERTIFICATE OF PROMOTERS

Dated: September 8, 2017

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

"Richard Penn" (signed)	*"Roman Rubin" (signed)*
Richard Penn Promoter	Roman Rubin Promoter

CERTIFICATE OF THE AGENT

Dated: September 8, 2017

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

MACKIE RESEARCH CAPITAL CORPORATION

"Jovan Stupar" (signed)

____
Jovan Stupar
Managing Director, Investment Banking