

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

PROSPECTUS

INITIAL PUBLIC OFFERING

January 19, 2018



60 NORTH GOLD

SIXTY NORTH GOLD MINING LTD.

SUITE 280 – 1090 WEST GEORGIA STREET

VANCOUVER, B.C. V6E 3V7

Telephone: (604) 899-0106

Facsimile: (604) 684-5793

MINIMUM OFFERING: 6,666,667 UNITS

MAXIMUM OFFERING: 20,000,000 UNITS

OFFERING PRICE: \$0.15 PER UNIT

Sixty North Gold Mining Ltd. (the "**Corporation**") hereby qualifies for distribution in British Columbia, Alberta and Ontario a minimum of 6,666,667 units and up to a maximum of 20,000,000 units (the "**Units**"), each Unit consisting of one (1) common share in the capital of the Corporation (the "**Shares**") and one-half (½) of a share purchase warrant (the "**Warrants**"), at an offering price of \$0.15 per Unit (the "**Offering**"). Each whole Warrant will entitle the holders to purchase one (1) additional Share (the "**Warrant Shares**") at a price of \$0.25 per Warrant Share for a period of twenty-four (24) months from the date of closing of the Offering (the "**Closing Date**") (see: "*Description of Securities Distributed – Warrants*"). This Offering is being made to investors resident in British Columbia, Alberta, and Ontario through Mackie Research Capital Corp. (the "**Agent**"), as the exclusive agent for the Corporation (see: "*Plan of Distribution*").

THE OFFERING HEREUNDER IS SUBJECT TO A MINIMUM SUBSCRIPTION OF 6,666,667 UNITS (\$1,000,000). IN THE EVENT SUCH MINIMUM SUBSCRIPTIONS ARE NOT ATTAINED WITHIN 90 DAYS OF THE ISSUANCE OF THE FINAL RECEIPT FOR THIS PROSPECTUS, ALL FUNDS RAISED HEREUNDER WILL BE RETAINED BY THE AGENT AND REFUNDED TO INVESTORS WITHOUT INTEREST OR DEDUCTION. In the event that subscriptions and subscription funds for 6,666,667 Units are not raised within 90 days of the issuance of a receipt for this Prospectus or, if an amendment to this Prospectus has been filed and a receipt has been issued for such amendment, within 90 days of the issuance of a receipt for an amendment to the Prospectus and, in any event, not later than 180 days after the issuance of a receipt for the final Prospectus, all subscription monies will be returned to investors without interest or deduction.

	Number of Units	Price to Public ⁽¹⁾	Gross Proceeds	Agent's Commission ⁽²⁾	Net Proceeds to the Corporation ⁽³⁾
Maximum Unit Offering	20,000,000	\$0.15	\$3,000,000	\$240,000	\$2,760,000
Minimum Unit Offering	6,666,667	\$0.15	\$1,000,000	\$80,000	\$920,000

⁽¹⁾ The offering price of the Units was determined by negotiation between the Corporation and the Agent.

⁽²⁾ The Agent will be paid a cash commission equal to 8.0% of the proceeds from the sale of Unit pursuant to this Offering. The Agent will also be paid a corporate finance fee equal to \$30,000, plus GST. The Corporation will also grant to the Agent non-transferable share purchase compensation options (the "**Agent's Warrants**") entitling the Agent to purchase that number of Shares equal to 8.0% of the number of Units sold pursuant to the Offering (or up to a maximum of 1,600,000 Shares). This Prospectus qualifies the distribution of the Agent's Warrants to the Agent. The Agent's Warrants may be exercised at a price of \$0.15 per Share for a period of twenty-four (24) months from the Closing Date. See "*Plan of Distribution*".

⁽³⁾ Before deducting the balance of expenses of the Offering, estimated at \$150,000. The Corporation has already advanced \$15,000 to the Agent to be applied towards the Agent's expenses for the Offering.

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 Corporation intends to apply to list the Shares distributed under this Prospectus, and any Warrant Shares issued upon exercise of the Warrants distributed under this Prospectus, on the Canadian Securities Exchange. No listing will be applied for in respect of the Warrants. Listing of the Corporation’s Shares and Warrant Shares will be subject to the Corporation fulfilling all of the listing requirements of the Exchange.

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

DILUTION

The Units offered under this Prospectus will be subject to a dilution of \$0.062 per common share (or 41.33%, assuming the maximum Offering is sold, the Warrants and Agent’s Warrants are not exercised, and no other prior issued convertible securities are exercised).

Upon completion of the Offering, this issue will represent 35.27% of the Corporation’s issued and outstanding shares (assuming the maximum offering is sold), and 14.64% of the Corporation’s issued and outstanding shares will then be owned by the promoters, insiders, and holders of escrowed shares. One or more of the directors of the Corporation has an interest, direct or indirect, in other natural resource companies. Reference should be made to the items “Risk Factors” and “Conflicts of Interest” herein for further details.

The Agent’s position is as follows:

Agent’s Position ⁽¹⁾	Maximum Number of Securities Available	Exercise Period	Exercise/Issue Price per Share
Compensation warrants held by Agent	1,445,000 ⁽¹⁾	September 30, 2019	\$0.10
Compensation warrants held by Agent	200,000 ⁽²⁾	September 30, 2019	\$0.25
Maximum Agent’s Warrants	1,600,000	Twenty-four (24) months from the Closing Date	\$0.15
Agent’s Shares	400,000 ⁽³⁾	Not applicable	\$0.10 (deemed)
Total securities issued and under option issuable to the Agent	3,645,000		

⁽¹⁾ Of these Agent’s Warrants, 650,000 were issued on Sept. 20, 2016, 615,000 were issued on October 28, 2016, and 180,000 were issued on December 1, 2016. See “*Plan of Distribution*” and “*Prior Sales – Warrants*”.

⁽²⁾ Issued on June 28, 2017. See “*Plan of Distribution*” and “*Prior Sales – Warrants*”.

⁽³⁾ Issued December 1, 2016 at a deemed price of \$0.10 per share as a finder’s fee. See “*Prior Sales – Shares*”.

The Agent, as exclusive agent of the Corporation for the purposes of this Offering, conditionally offers the Units on a commercially reasonable efforts basis, subject to prior sale, if, as and when issued by the Corporation and accepted by the Agent in accordance with the Agency Agreement referred to under “Plan of Distribution”, and subject to the approval of certain legal matters on behalf of the Corporation by Salley Bowes Harwardt Law Corporation and on behalf of the Agent by Miller Thomson LLP. Subscriptions will be received subject to rejection or allotment in whole or in part by the Corporation and the right is reserved to close the subscription books at any time without notice. It is expected that the Shares and the Warrants will be issued as non-certificated book-entry securities through CDS Clearing and Depository Services Inc. (“CDS”) or its nominee. Consequently, purchasers of the Shares and the Warrants will receive a customer confirmation from the registered dealer that is a CDS participant from or through which the Shares and the Warrants were purchased and no certificate evidencing the Shares or Warrants will be issued. Registration will be made through the depository services of CDS. No person is authorized to provide any information or make any representation in connection with the Offering, other than as contained in this Prospectus.

AGENT

MACKIE RESEARCH CAPITAL CORP.

Suite 1920 – 1075 West Georgia Street

Vancouver, British Columbia

V6E 3C9

Telephone: (778) 373-4100

Facsimile: (778) 373-4101

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

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

- (a) Proposed expenditures for exploration work, and general and administrative expenses (see: “*Narrative Description of the Business – Recommendations*” and “*Use of Proceeds*” for further details);
- (b) Expectations generally regarding completion of this Offering and the ability to raise further capital for corporate purposes; and
- (c) Treatment under applicable governmental regimes for permitting and approvals (see: “*Risk Factors*”).

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

ELIGIBILITY FOR INVESTMENT

In the opinion of Salley Bowes Harwardt Law Corp., counsel to the Issuer, based on the provisions of the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations to the Tax Act in force on the date hereof, provided at the date of issuance the Shares are listed on a “designated stock exchange” (as such term is defined in the Tax Act, which currently includes the Canadian Securities Exchange) or the Corporation is otherwise a “public corporation” (as such term is defined in the Tax Act), the Shares and Warrants will at that time be “qualified investments” under the Tax Act for trusts governed by registered retirement savings plans (a “**RRSP**”), registered retirement income funds (a “**RRIF**”), deferred profit sharing plans, registered education savings plans, registered disability savings plans, or tax-free savings accounts (a “**TFSA**”; and collectively, the “**Tax Deferred Plans**”), provided that in the case of the Warrants, the Corporation is not an annuitant, a beneficiary, an employer, or subscriber under or a holder of such plan. Holders who intend to hold Shares or Warrants in a Tax Deferred Plan should consult their own tax advisors regarding whether such securities are a “qualified investment” at the relevant time for such Tax Deferred Plan.

The Shares are not currently listed on a “designated stock exchange” and the Corporation is not otherwise a “public corporation” (as those terms are defined in the Tax Act). The Corporation has applied to list the Shares on the Exchange (the “**Listing**”). The Listing will be subject to the Corporation fulfilling all of the listing requirements of the Exchange. Confirmation of Listing is a condition of closing of the Offering. The Corporation will rely upon the Exchange to list the Shares on the Exchange as of the day before the Closing Date, and otherwise proceed in the manner described above to render the Shares issued on the Closing Date to be listed on a designated stock exchange within the meaning of the Tax Act at the time of issuance. If the Exchange does not proceed as anticipated, then the Shares and the Warrants will not be “qualified investments” for the purposes of the Tax Act at the time of closing.

Notwithstanding that the Units may be qualified investments for a RRSP, RRIF or TFSA (a “**Registered Plan**”), if the purchase of the Units for any particular investor is a “prohibited investment” within the meaning of the Tax Act for a Registered Plan, the holder or annuitant of the Registered Plan, as the case may be, will be subject to penalty taxes as set out in the Tax Act. The Units will generally not be a prohibited investment for a Registered Plan, if the holder or annuitant, as the case may be (a) deals at arm’s length with the Corporation for the purposes of the Tax Act, and (b) does not have a “significant interest” (as defined in the Tax Act) in the Corporation. Holders who intend to hold Shares or Warrants in a RRSP, RRIF or TFSA should consult their own tax advisors regarding whether such securities would be prohibited investments in their particular circumstances.

GLOSSARY

“Agency Agreement” means the Agency Agreement dated January 19, 2018 between the Agent and the Corporation.

“Agent” means Mackie Research Capital Corp.

“Agent’s Warrants” means the share purchase warrants to purchase up to a maximum of 1,600,000 Shares granted to the Agent as described under the heading *“Plan of Distribution”*.

“Agreement” means the restated mineral property earn-in agreement dated effective as of September 2, 2016 between New Discovery Mines Limited and the Corporation.

“Closing Date” means such date that the Corporation and the Agent mutually determine to close the sale of the Units of the Corporation offered pursuant to this Prospectus, provided that the Shares have been listed for trading on the Exchange.

“Corporation” means Sixty North Gold Mining Ltd.

“Effective Date” means the date on which the Principal Regulator for the Securities Commissions issue a receipt for the final prospectus.

“Exchange” means the Canadian Securities Exchange.

“Listing Date” means the date the Shares are unconditionally listed for trading on the Exchange.

“Mon Gold Property” means the eleven (11) mining leases and two (2) mineral claims located in the NWT comprising the Property, as more particularly described under *“Narrative Description of the Business – Property Description”*.

“NDM” or the **“Optionor”** means New Discovery Mines Ltd., a private company which is owned as to 50% by each of David Webb and Garald Hess, and which is the owner, and the optionor to the Corporation, of the Mon Gold Property.

“NSR” means the net smelter returns royalty, as defined under the Royalty Agreement.

“NWT” means the Northwest Territories, Canada.

“Offering” has the meaning ascribed to it on the face page of this Prospectus.

“Principal Regulator” means the British Columbia Securities Commission.

“Property” means the Mon Gold Property.

“Royalty Agreement” means the restated net smelter returns royalty agreement dated effective as of February 20, 2014 between the Royalty Holder and NDM, wherein the Royalty Holder has reserved a 2.0% NSR in the Mon Gold Property.

“Royalty Holder” means Giauque Holdings Ltd., a private company controlled by David Webb’s family trust.

“Securities Commissions” means the British Columbia Securities Commission, Alberta Securities Commission, and Ontario Securities Commission.

“Share” means a common share without par value in the capital of the Corporation.

“Stock Option Plan” means a stock option plan dated July 27, 2017, providing for the granting of incentive stock options to the Corporation’s directors, officers, employees, consultants and eligible charitable organizations in accordance with the policies of the Exchange.

“Subscriber” means a subscriber for the Units offered under this Offering.

“Technical Report” means the technical report dated December 11, 2017 entitled “Mon Gold Property, Northwest Territories, Canada” prepared by David DuPre, P. Geo. and Kevin Fitzpatrick, P.Eng.

“Warrant Share” means a Share issued upon exercise of a Warrant distributed hereunder.

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 Corporation

The Corporation is engaged in the acquisition and exploration of mineral properties. The Corporation's principal exploration target is the exploration of gold in the Northwest Territories, where the Corporation holds an option to earn an 80% interest in the Mon Gold Property, which is located 45 kilometres north of Yellowknife, consisting of 11 mining leases and 2 mineral claims, subject to a 20% carried interest and an underlying 2.0% NSR. See "*Narrative Description of the Business*".

Management, Directors and Officers

Ronald Handford	<i>Chief Executive Officer and Director</i>
John Campbell	<i>Chairman, President, Chief Financial Officer, Secretary and Director</i>
Grant Block	<i>Director</i>
Ian Klassen	<i>Director</i>
Andriyko Herchak	<i>Director</i>
Brian Malahoff	<i>Director</i>

See "*Directors and Officers*".

The Offering

Offering

Minimum offering of 6,666,667 Units, up to a maximum offering of 20,000,000 Units, at an offering price of \$0.15 per Unit, each Unit consisting of one (1) Share and one-half (½) of a Warrant. Each whole Warrant will entitle the holder to purchase one (1) Warrant Share at a price of \$0.25 per Warrant Share for a period of twenty-four (24) months from the Closing Date. See "*Description of Securities Distributed – Warrants*".

Additional Distribution

This Prospectus also qualifies the distribution of the Agent's Warrants. See "*Plan of Distribution*".

Use of Proceeds

If all the Units offered pursuant to this Offering are sold (being the maximum Offering), then the net proceeds to the Corporation will be \$2,760,000, or if only the minimum Offering is sold, \$920,000, plus the sum of \$315,689 representing the Corporation's estimated working capital as at December 31, 2017, for a maximum aggregate of \$3,075,689, or a minimum of \$1,235,689 as the total available funds to the Corporation, which funds are intended to be spent by the Corporation, in order of priority, as follows:

	<u>Maximum Offering Funds to be Used</u>	<u>Minimum Offering Funds to be Used</u>
(a) To pay the estimated remaining costs of this Offering (including legal, audit, listing fees, and printing expenses) ⁽¹⁾	\$150,000	\$150,000
(b) To pay the balance of the estimated costs of the recommended surface exploration work on the Mon Gold Property, as outlined in the Technical Report	\$177,000	\$177,000
(c) To pay the remaining estimated costs of the Phase 1 capital equipment acquisitions ⁽³⁾	\$351,500	\$351,500

	<u>Maximum Offering Funds to be Used</u>	<u>Minimum Offering Funds to be Used</u>
(d) To pay the estimated costs of the recommended Phase 1 underground ramp development program on the Mon Gold Property, as outlined in the Technical Report ⁽²⁾ , and consisting of an estimated \$360,000 for fuel and explosives, \$350,000 for winter road construction and \$888,000 in estimated ramp development costs	\$1,598,000	Nil
(e) To provide funding sufficient to meet administrative costs for 12 months ⁽⁴⁾	\$180,000	\$180,000
(f) To provide general working capital to fund ongoing operations and expansion	\$ 619,189	\$ 377,189
Total:	<u>\$3,075,689</u>	<u>\$1,235,689</u>

(1) An advance of \$15,000 has been paid to the Agent for Offering expenses.

(2) The maximum Offering will not be sufficient for the Corporation to complete the Phase 2 underground stope development work for the bulk sample, as recommended by the Technical Report.

(3) The recommended Phase 1 underground exploration and development work is not contingent upon the results of the surface exploration work. Only the estimated costs of the Phase 1 capital equipment acquisitions (e.g., tanks, gensets, compressor and some additional supplies) will be funded in the minimum Offering case. In December, 2017 the Issuer advanced the sum of \$70,000 to NDM for further payment to an equipment supplier on account of the budgeted Phase 1 capital equipment acquisition costs.

(4) Administrative costs include \$60,000 which will be paid to Ronald Handford's private company, Handford Management Inc., for management and administrative services. See "*Interest of Management and Others in Material Transactions*" and "*Administrative Costs*".

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

Risk Factors

An investment in the securities of the Corporation should be considered highly speculative and investors may incur a loss on their investment. The Corporation has no history of earnings and there are no known commercial quantities of mineral reserves on the Corporation's properties. There is also no guarantee of the Corporation's title to its properties. The Corporation has an option only to earn an interest in the Mon Gold Property. The Corporation and its assets may become subject to uninsurable risks. The Corporation's activities may require permits or licenses which may not be granted to the Corporation. The Corporation has reported negative cash flow from operations in its most recently completed financial year. There is no assurance that additional funding will be available to the Corporation. The Corporation competes with other companies with greater financial resources and technical facilities. The Corporation is currently largely dependent on the performance of its directors and there is no assurance the Corporation can maintain their services. In recent years both metal prices and publicly traded securities prices have fluctuated widely. Further there is currently no market for the Corporation's Shares and no assurance that an active market will develop or be sustained after this Offering. Additional Shares may be issued which will cause dilution to the ownership interests of the Corporation's shareholders. See "*Risk Factors*".

Summary of Financial Information

The following selected financial information is subject to the detailed information contained in the financial statements of the Corporation and notes thereto appearing elsewhere in the prospectus. The selected financial information is derived from the audited financial information for the fiscal year from the date of incorporation on July 7, 2016, to October 31, 2016, and the audited financial information for the fiscal year ended October 31, 2017. The Corporation has established October 31 as its fiscal year end. See "*Selected Financial Information and Management Discussion and Analysis*".

	PERIOD ENDED OCTOBER 31, 2016 (\$ AUDITED)	FISCAL YEAR ENDED OCTOBER 31. 2017 (\$ AUDITED)
Total revenues	Nil	Nil
Total expenses	162,690	620,384
Net income (loss)	(162,690)	(620,384)
Current assets	1,169,625	597,499
Total assets	1,779,035	1,957,131
Current Liabilities	95,905	135,889
Long-term financial liabilities	Nil	Nil
Shareholders' Equity	1,683,130	1,821,242
Cash dividends per share	Nil	Nil

Currency

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

CORPORATE STRUCTURE

Sixty North Gold Mining Ltd. was incorporated pursuant to the *Business Corporations Act* (British Columbia) on July 7, 2016 under the name, “1082138 B.C. Ltd.” The Corporation changed its name to its current name on February 20, 2017. The Corporation was registered extra-provincially in the NWT on November 9, 2017. The Corporation has an authorized share capital consisting of an unlimited number of common shares without par value. The Corporation has no subsidiaries.

The Corporation’s head office is located at Suite 280 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, and its registered and records offices are located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7. The Corporation’s registered address in the NWT is P.O. Box 818, 200, 4915 – 48th Street, YK Centre East, Yellowknife, Northwest Territories, X1A 2N6.

GENERAL DEVELOPMENT OF THE BUSINESS

Business of the Corporation

The Corporation is engaged in the business of the acquisition and exploration of mineral properties. Its principal exploration target is the exploration of gold in the Northwest Territories, where the Corporation holds an option to purchase an 80% interest in the Mon Gold Property, which is located 45 kilometres north of Yellowknife, subject to a 20% carried interest and an underlying 2.0% NSR. The Property consists of 11 contiguous mining leases and 2 mineral claims (such mineral claims totalling 1,221.24 acres, more or less), located in the Northwest Territories, Canada, the particulars of which are described in greater detail below. See “*Narrative Description of the Business*”.

By a restated mineral property earn-in agreement dated for reference June 14, 2017 (the “**Agreement**”) among the Corporation and New Discovery Mines Ltd. (“**NDM**” or the “**Optionor**”) of Suite 1900 – 108 West Cordova St., Vancouver, British Columbia, V6B 0G5, the Corporation acquired the exclusive right to earn (the “**Earn-In Right**”) an 80% undivided interest in the Mon Gold property, NWT (the “**Mon Gold Property**” or “**Property**”), subject to a prior restated royalty agreement between NDM and Giauque Holdings Ltd. (the “**Royalty Holder**”) of 6120, 185A St., Surrey, British Columbia, V3S 7P9, dated for reference June 14, 2017 (the “**Royalty Agreement**”), which provides for a 2.0% NSR reserved in favour of the Royalty Holder. Any interest or rights to acquire (a) any interest in mineral claims and mining leases or other real property interests (the “**Additional Property**”) within the area which is one kilometre from the outside perimeter of the Property (the “**Area of Interest**”), or (b) contiguous mineral claims or mining leases to the Property that may extend beyond the Area of Interest, acquired by or on

behalf of either the Corporation or NDM, or any affiliate or subsidiary thereof, shall also become subject to the terms of the Agreement.

If the Corporation earns its 80% interest in the Property, then NDM will retain a 20% carried interest in the Property, both before as well as after commercial production, which excludes any project financing interest and costs (and, in result, all exploration and development costs, as well as project financing interest and costs, will be at the Corporation's sole expense). For greater clarity, the 20% "carried interest" to be held by NDM will mean that 100% of the project's exploration and development expenditures will be paid by the Corporation, in consideration of 80% of the net revenue (defined as "positive cash flow" under the Agreement), after the Corporation's payment of the 2.0% NSR to the underlying Royalty Holder. The definition of "positive cash flow" under the Agreement also permits the Corporation to retain a reasonable amount for its working capital purposes for the project.

In addition, the Royalty Agreement provides for a minimum annual advanced royalty payment to the Royalty Holder of US\$20,000, which commenced in January 2017, and is payable each year within 30 days of each calendar year end. The advance royalty payments to the Royalty Holder for January 2017 and January 2018 have been paid. Twenty percent (20%) of all advanced royalty payments may be deducted from the first year's NSR payments, and thereafter the balance of the advanced royalty payments may be deducted from future NSR payments. The Corporation and NDM deal with each other on an arm's length basis; however, NDM and the Royalty Holder are related parties who do not deal on an arm's length basis, since NDM is owned as to 50% by David Webb, who is the President of NDM, and the Royalty Holder is owned by a family trust controlled by David Webb.

Pursuant to the Agreement, the Corporation may exercise the Earn-In Right by incurring a minimum of \$2.0 million in exploration and development expenditures by no later than December 31, 2018, and a total of \$6.0 million in exploration and development expenditures by no later than December 31, 2020 (the "**Earn-In Period**"), for greater certainty in accordance with the following schedule:

DATE FOR COMPLETION	EXPLORATION AND DEVELOPMENT EXPENDITURES
December 31, 2018	\$2,000,000
December 31, 2020	\$4,000,000
TOTAL	\$6,000,000

The deadline for the above \$2,000,000 in exploration and development expenditures was originally December 31, 2017, but the Corporation had the right to elect to extend the December 31, 2017 option deadline date by one year to December 31, 2018, upon payment of \$20,000 to NDM, which was exercised and paid to NDM on December 12, 2017. The Corporation also has the right to contribute any deficiency in expenditures to the Optionor within 60 days after December 31, 2018 to maintain its Earn-In Right, as a deemed contribution to expenditures on the property.

As disclosed above, the Corporation will pay the Royalty Holder a Two Percent (2.0%) NSR from commercial production, as defined in the Royalty Agreement. The Corporation is the operator of all exploration and development work programs on the Mon Gold Property throughout the term of the Earn-In Right and beyond, and has the right to make all exploration and development decisions. Throughout Earn-In Period, NDM is responsible for the conduct of all work programs on the Property and for obtaining all appropriate permits. Under the terms of the Agreement, for as long as NDM holds its 20% carried interest in the Mon Gold Property, it has the right to serve as the mine manager for the project, and for such services NDM is entitled to charge (as part of the Corporation's earn-in expenditures) an overhead fee of 5.0% of expenditures incurred during the earn-in period. After the earn-in period, as operator, the Corporation will be able to charge and deduct from any positive cash flow, overhead fees of 5.0% of all exploration costs, 1.0% of all construction costs, and 2.0% of all operating costs.

After the Earn-In Period, the Corporation and NDM will form a technical committee (the “**Technical Committee**”) for the purposes of making decisions for the further exploration and development of the Property and mining operations thereon. NDM shall appoint two representatives and their alternates, and the Corporation shall appoint three representatives and their alternates. The alternate representative may act for a party’s representative in his absence. Meetings of the Technical Committee will be held at least once every three months and during construction every six months, and in any event within 14 days of being requested to do so by any representative. The Operator will give notice to all representatives of the place, date and time of any meeting at least seven days before the time appointed for the meeting of the Technical Committee. A quorum for any Technical Committee meeting shall be parties holding interests in the Property totalling in excess of 80%. All decisions of the Technical Committee shall be made by simple majority, with each party’s representatives being entitled to cast that number of votes which is equal to that party’s interest in the Property; provided that the removal or replacement of the operator, and the sale or disposal of a majority or more of the claims or leases comprising the Property, must be approved by unanimous decision of the representatives.

Pursuant to the terms of the Agreement, all disputes arising out of or in connection with the Agreement shall be referred to binding arbitration. In the event of any default in the performance of the Agreement, the party affected by the default must give the other party notice, and such other party will have a period of 30 days to cure the default. Only if the default has failed to have been cured shall the party who is affected by the default be entitled to seek any remedy it may have on account of such default. The Agreement also provides that no party may sell, transfer, mortgage or option its rights, or otherwise dispose of its interest under the Agreement, other than to an affiliate, unless the selling party first offers the interest to the non-transferring party or parties, and the selling party obtains the prior written consent of the other party or parties, such consent not to be unreasonably withheld or delayed.

To date, the Corporation has incurred \$1,210,116 in exploration expenditures on the Mon Gold Property, including \$615,000 in mining equipment. The Corporation intends to raise additional funding through its Offering to carry out additional exploration and development work on the Mon Gold Property, as set out in the Use of Proceeds.

Trends

There are no current trends in the Corporation’s business that are likely to impact on the Corporation’s performance.

NARRATIVE DESCRIPTION OF THE BUSINESS

Stated Business Objectives

The principal business carried on and intended to be carried on by the Corporation is the acquisition, exploration and development of natural resource properties. The Corporation intends on expending existing working capital and net proceeds raised from this Offering to pay the balance of the estimated costs of this Offering, to carry out exploration and development work on the Mon Gold Property, to pay for administrative costs for the next twelve months, and for working capital. The Corporation may decide to acquire other properties in addition to the mineral property described below, should the opportunity arise, but at this time the Corporation has not identified any new specific properties for acquisition.

Description and Location of the Mon Gold Property

The following represents information summarized from the Technical Report, prepared by David DuPre, P. Geo. and Kevin Fitzpatrick, P. Eng. **Note that only Figure 1 and Tables 1, 6, 8 and 13 from the Technical Report are reproduced in and form part of this Prospectus. All other figures, maps, tables, appendices, and plates which may be referred to in the extract below but are not included in this Prospectus, are contained in the Technical Report, a complete copy of which is available for review, in color, under the Corporation’s name on the System for Electronic Document Analysis and Retrieval (SEDAR) located at the following website: www.sedar.com. Alternatively, the**

Technical Report may be inspected during normal business hours at the Corporation's head office, Suite 280 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7.

Property Description

The Mon Gold Property consists of eleven (11) contiguous mining leases and two (2) mineral claims, covering 1,221.24 acres, located about 45 kilometres north of Yellowknife near Discovery Lake, in the South MacKenzie Mining District of the NWT, Canada, as more particularly set out in the Table below:

LEASE NUMBER ⁽¹⁾	AREA IN ACRES	REGISTERED OWNER	EXPIRY DATE ⁽²⁾
3004	36.87	New Discovery Mines Ltd.	12/10/2022
3005	44.66	New Discovery Mines Ltd.	12/10/2022
3006	56.28	New Discovery Mines Ltd.	12/10/2022
3007	49.72	New Discovery Mines Ltd.	12/10/2022
3008	47.54	New Discovery Mines Ltd.	12/10/2022
3009	41.39	New Discovery Mines Ltd.	12/10/2022
3010	58.64	New Discovery Mines Ltd.	12/10/2022
3011	42.80	New Discovery Mines Ltd.	12/10/2022
3012	58.57	New Discovery Mines Ltd.	12/10/2022
3013	43.87	New Discovery Mines Ltd.	12/10/2022
3014	17.80	New Discovery Mines Ltd.	12/10/2022
CLAIM TAG NUMBER ⁽¹⁾	AREA IN ACRES	REGISTERED OWNER	EXPIRY DATE ⁽²⁾
F76520	258.25	New Discovery Mines Ltd.	03/18/2023
F76521	464.85	New Discovery Mines Ltd.	03/18/2022

⁽¹⁾ Located in the South Mackenzie Mining Division, Northwest Territories, Canada.

⁽²⁾ Expiry dates are as documented in the records of the NWT Mining Recorder's Office as of September 26, 2017.

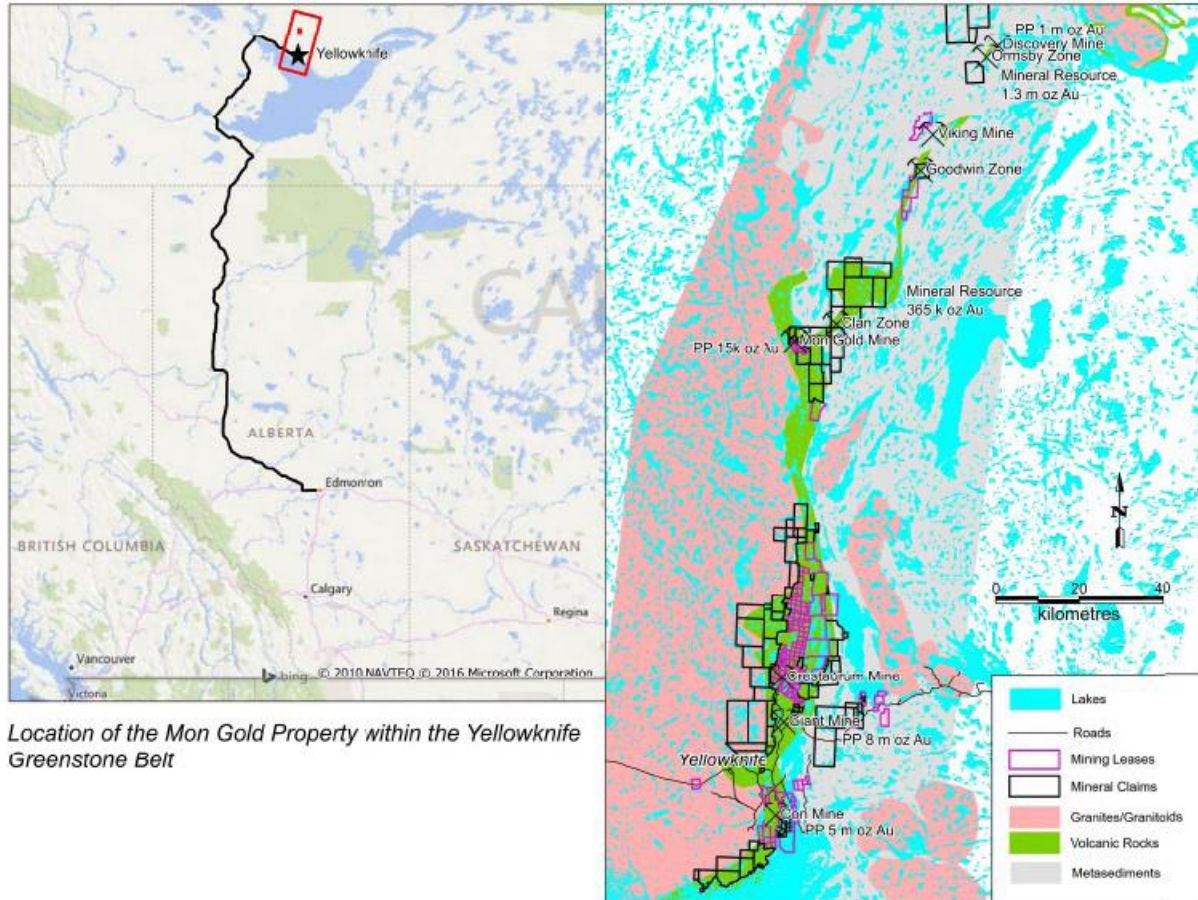
Public lands in the Northwest Territories ("NWT") are managed by the *Territorial Lands Act* (Canada) and its regulations. Sub-surface rights to minerals are administered through the *Mining Regulations* (Canada) (the "**Mining Regulations**"). The Federal government Ministry in charge of administering the Mining Regulations is known as Aboriginal Affairs and Northern Development Canada. Under the Mining Regulations, a person must obtain a prospector's license before engaging in exploration for minerals. The prospector may then stake mineral claims, generally in rectangular forms. While there is limit of 1,250 hectares per claim, units are normally 16 to 25 square hectares. A mineral claim only remains valid if a certain amount of "work" is done on the claim. The amount of work is measured by the cost per hectare. Once recorded, a mineral claim is valid for a period of two years. The claim can be renewed if the holder does work valued at \$10.00 per full or partial hectare during the first two year period, and can be held up to ten years with work valued at \$5.00 per full or partial hectare during each subsequent one-year period.

Generally, after ten years, a mineral claim may be converted into a mining lease after the subject area has been surveyed by a Registered Land Surveyor, the proper map and related fee are filed. A mining lease is granted for a term of 21 years and is renewable thereafter. Annual lease fees of \$2.50 per hectare during the first 21 year term, and \$5.00 per hectare during each renewal term, are payable to the Mining Recorder of the Northwest Territories. In respect of the mining leases for the Mon Gold Property, the fees are up to date and the mineral rights are in good standing. NDM is grandfathered in that they operate the Mon Gold Property under leases signed with Her Majesty the Queen in right of Canada, with a lease payment of \$2.00 per acre, or \$996.28 per year, and must continue to make this payment to keep the leases in good standing. In order to keep the two Mon Gold Property claims in good standing, at least \$1,463.14 of work must be done on them annually.

The current expiry dates for the mining leases and mineral claims comprising the Mon Gold Property are listed in the Table above. Mineral claims under the Mining Regulations do not entitle the holder to any surface rights (see "*Risk Factors*").

Surface rights are owned by the Crown, and pursuant to the eleven mining leases comprising the Property, surface rights for access and mine development have been leased to NDM. The two mineral claims comprising the Property, however, do not include any surface rights. All current workings and mine facilities for the Mon Gold Property are located on the mining leases.

The following Figure indicates the location of the Mon Gold Property:



Public lands where the Mon Gold Property is located are part of the aboriginal land claims process in Canada, wherein the Government of Canada is responding to the certain rights being asserted by the aboriginal people. It is uncertain how and when this process will come to a conclusion and what impact it may have on the Mon Gold Property. The Mon Gold Property is not currently part of any First Nations Settlement area.

NDM completed three years of community consultations and environmental in preparation for filing for Land Use Permits and Water Licenses to restart the mine at 100 tpd. The process resulted in NDM obtaining Land Use Permit MV2015C0015 and Water Licence MV2015L2-004 to permit all listed exploration and development work including the installation of camp and related infrastructure, mine shops and related mine infrastructure to allow for diamond drilling and underground development and mining. In addition, these permit NDM to install and operate a 100 tpd gravity plus flotation mill, related infrastructure, roads and tailings containment facility on a limited total volume of material moved basis before renewal of the permit is required.

The Mon Gold Property could provide additional employment and business opportunities to the residents of the NWT and to the affected First Nations business organizations and their people within whose territory the Mon Gold Property is located. This will give them the opportunity to participate in the

mineral sector while providing a high standard of living for them and their families. Typically, a Social Responsibility Statement is prepared to provide the foundation for working with the affected First Nations and all stakeholders in a socially responsible manner.

There are no known environmental liabilities on the Mon Gold Property, or formally designated parks or special management zones within the Property. Apart from seasonal use by hunters, the area has little recreational appeal.

Location and Access

The Mon Gold Property is situated about 45 kilometers north of Yellowknife, as shown in the Figure above. It covers an area of about 1,221.24 acres, more or less, is underlain entirely by Crown land, and does not lie within any First Nations Settlement area.

Local Resources and Infrastructure

Personnel, food and materials are provided through the combination of float or ski-equipped aircraft and helicopter from the City of Yellowknife, about one-half hour flying time south. A winter road provides access for fuel and other heavy or bulky materials from Yellowknife via the Bluefish Hydro-Electric Dam, 20 km south of the Property.

Topography, Vegetation, Physiography and Climate

The physiography is typical of the Canadian Shield of the northern boreal forest. Elongate rounded rocky hills and ridges with abundant outcrop exposures are separated by numerous lakes, ponds, rivers, creeks and swamps. Cliffs and steep bluffs up to a few tens of meters in height commonly occur along the side or end of these hills. Strong linear features several kilometers long defined by depressions between ridges are common. Topographic relief ranges up to 90 m to broad flat hills over 350 meters (m) above mean sea level (amsl). Overburden is typically a thin sandy layer of till. Small sandy eskers occur locally. The upland areas are generally moss and lichen-covered rounded rock outcrops with scattered to dense pine, birch, tamarack and spruce trees. The many low-lying areas are covered with a combination of water and muskeg swamp with local spruce trees and deciduous underbrush. Drainages are generally slow moving being clogged with glacial debris and vegetation.

The climate of the region is typical sub-arctic with precipitation chiefly in the form of snow. Cold winters with moderate snowfalls and short warm summers with modest amounts of rain characterize the region. Lakes are frozen from October until June. Daily average temperatures range over the year from approximately +30°C to -50°C. The exploration operating season is all-year except break-up and freeze-up. Any work over lakes must be done off the ice in winter. Geological mapping and prospecting can only be done during the summer months.

Historical Exploration

A high-grade quartz vein was discovered in 1937 by prospectors working for Cominco Limited during an aerial reconnaissance flight north of Yellowknife. The 'Mon' claims were staked in September 1937 by George Moberly and L. W. Nelson on behalf of Cominco Limited. Initial sampling determined that a number of gold-bearing quartz veins occurred on the Property, most notably the A-Zone. The A-Zone was exposed in trenches blasted into the east-side of a north-northwest-striking ridge. In 1937 Cominco sunk a 19.51 m deep shaft adjacent to the surface showing, and in 1938 they completed 47.5m of lateral development, failing to encounter the interpreted down dip extension of the surface showings. In 1947, Cominco recognized the similarity to the Discovery Mine, and completed three short drill holes totaling 58 meters to trace the A-Zone to depth.

In 1950 Cominco completed 364 meters of diamond drilling to test a lineament east of the A-Zone. In 1961 a detailed magnetometer survey failed to trace the contact between the greywacke and gabbro where the A-Zone was determined to be situated. A third drill campaign in the 1963 (493.5 meters in ten diamond drill holes) failed to expand the A-Zone. Cominco considered there to be reasonable potential that the A-Zone be similar to the Discovery Mine, where a folded quartz vein (system) was of a similar size and grade.

In 1965 Cominco determined that there was limited potential to expand the A-Zone, and so agreed to allow Jack Stevens, a local prospector who retained an interest on the Property to mine the A-Zone. Between 1965 and 1975 Jack Stevens extracted approximately 200 tonnes of high-grade material which he crushed, ground, and processed on site. This was essentially a high-grade operation focused on mining selective portions of the A-Zone (McDougall and Goad, 1989). In his 1971 report on operations (submitted to Cominco), Jack Stevens reported milling 48 tons of ore and shipping a 7-pound 7-ounce gold bar to the Royal Canadian Mint. Actual gold content based on Mint returns is unknown (Stevens, 1971). Jack Stevens continued milling operations in 1972, and it is believed that the remainder of the outlined ore was treated. Total ore milled was probably 200 tons, with grades of 0.10 to 0.20 ounces per ton gold. There is no record of work done after 1972.

In 1986 the claims were optioned to Troymin Resources Ltd. and 11 holes were drilled into the A-Zone in January, 1987 totaling 489 meters with mixed results. Coronado Resources Inc. farmed in on that option in 1987, and completed additional mapping, sampling, and later 886 meters of diamond drilling in 12 holes, all of which confirmed Cominco's work. Additional intercepts of mineralization could not be correlated to the known extent of the A-Zone.

In 1988 the Property was optioned by Cominco to David R. Webb, who assigned the option to Can-Mac Exploration later in 1988. David Webb determined that the mineralization had short dip extent but raked shallowly to the south. Diamond drilling intersected the mineralization in the A-Zone at shallow depths south of the surface showings, as shown in the following Table:

Diamond Drill Hole	Elevation	True Thickness (metres)	Au Grade (gpt)
M-3 (Cominco)	198.1	0.61	35.66
M-2 (Cominco)	185.9	0.52	62.40
89-3 (Can-Mac)	189.6	4.54	15.09
And	192.0	1.16	20.91
89-4 (Can-Mac)	185.9	1.52	35.31
89-7 (Can-Mac)	177.4	2.77	50.74

Note: These are historical reports and cannot be used except to disclose the nature of the mineralization. No economic potential should be assumed. The information cannot be verified and should not be relied upon.

It was recommended by Robin E. Goad, consultant, that a 2,000 ton bulk sample be extracted in order to confirm the continuity and grade of the deposit (McDougall and Goad, 1989). In 1989 an underground program was established involving 49 meters of decline and 15.5 meters of raising. A total of 2,300 tonnes of material was stoped from a vein that outcropped 7 meters southeast of the surface showings. Breast samples were collected during mining every lift and for each breast (2.5 x 3 meters). An average diluted mined grade of 18.3 gpt gold was calculated. These are historical results and are only reported for completeness, and this information cannot be verified and should not be relied upon.

In 1990, the Property was leased by Can-Mac to Ger Mac Construction Ltd, subject to a NSR to David Webb. It was determined that Can-Mac had mined a separate east-dipping vein, not connected to the surface exposure of the A-Zone. A new portal was collared and a crosscut was driven 37 meters to intersect the west-dipping portion of the A-Zone at the 192 meter elevation. Other development consisted of a 58m drift and two raises totaling 15m within the ore zone. A third raise, started at a distance of 30m in from the adit portal, was driven 10m to break through to the surface for ventilation purposes. Five hundred and sixty-three tons of ore were removed and stockpiled. Total amount of development waste

removed was 2,133 tons. The mining method was conventional drilling with rock removal performed by a 2 yard scoop tram. Other equipment consisted of 850 cubic feet per minute air compressor and a 125 kilowatt generator. Gerry Hess was in charge of operations in 1991-1992 (Webb, 1991). In 1992, Can-Mac defaulted on the lease payments and returned the Property to David Webb.

Between 1991 and 1997 the mine was in operation on a summer only basis, with a total reported production of 3,100 ounces of gold from 10,000 tons of ore for a calculated recovered grade of 10.63 gpt for royalty purposes. In total, it is estimated that 15,000 ounces of gold were recovered from 15,000 tonnes of ore contained in 15 m of elevation from the west limb (West Stope) and 15 m of elevation from 15 to 20 m of strike-length on the east limb (East Stope). There was insufficient back from the first level to mine most of the east limb. Since the Mon Mine closure in 1997, no surface exploration or mining has been done at the Mon Gold Property until October, 2016. These are historical results and are only reported for completeness, and this information cannot be verified and should not be relied upon.

Five diamond drilling campaigns were carried out on the Mon Gold Property prior to 1997, consisting of at least 25 drill holes totalling over 1,801 metres. Very little factual information is available from these drill programs. The data from this drilling is incomplete and the meterage and number of holes are presented only to provide a measure of the amount of drilling done in the past. Since the Mon Mine closure in 1997, no surface exploration or mining has been done at the Mon Gold Property until October, 2016.

Between 1997 and the drilling campaign of October, 2016, work on the Mon Gold Property has consisted of data consolidation, metallurgical testing of ores and tailings, preliminary engineering, cultural and a UAV topographic Survey.

David Webb (personal communication) reports that: "In 2012, all available data was digitized, and a three dimensional model was constructed, showing the deposit to be an anticlinally-folded quartz vein, plunging to the south at around 20 to 40 degrees. The higher gold grades at the fold nose are consistent over the mined length of 75 meters (open to south), with lower grade gold values being found in the limbs of the structure."

Also in 2012, Met-Solve Labs carried out preliminary metallurgical testing on 46 samples of tailings collected by D. Webb from the Mon Gold Property. There is a lined containment pond (reference Mackenzie Land and Valley Water Board files) containing tailings from past operations on the Mon Gold Property. The objectives of the float tests were to produce a >150 g/t gold concentrate suitable for shipping, and to monitor the deportment of other elements via ICP assays, to determine if it was possible to produce a marketable flotation concentrate from the existing tailings. This work was completed by a non-independent Professional Geologist at an independent laboratory, and should be considered with caution.

A laboratory testing program in 2014 by Inspectorate (2014) was conducted on a composite sample from the crown pillar collected by D. Webb from the Mon Gold Property to determine its amenability to gold recovery via centrifugal gravity concentration, followed by a comparison between direct cyanide leaching and sulphide flotation processes on the gravity tailings.

Historical Production

The 'Mon' claims were staked in September 1937 by George Moberly and L. W. Nelson on behalf of Cominco Limited. A short shaft was sunk to 64 feet, but lateral work on this level did not intersect any interesting gold values. In the early 1970s, Jack Stevens operated the claims and put 200 tons of stockpiled ore through a small improvised mill. A second development program got underway in 1989 when Can-Mac Explorations Limited drove a decline and extracted a bulk sample. Ger-Mac Contracting Limited acquired the Property in 1991 and installed a milling plant. Gold production continued on a seasonal basis from 1992 until 1997.

Jack Stevens (1960s-1970s) purchased a 12.5% equity interest in the claims from G. Moberly, and under a lease agreement with Cominco Limited began to stockpile ore from surface pits starting in 1966. 200 tons of material was stockpiled by 1971. This was essentially a high-grade operation focused on mining selective portions of the A-zone (McDougall and Goad, 1989).

In his 1971 report on operations (submitted to Cominco), Jack Stevens reported milling 48 tons of ore and shipping a 7-pound 7-ounce gold bar to the Royal Canadian Mint. Actual gold content based on Mint returns is unknown (Stevens, 1971). Stevens' mill consisted of a small jaw crusher, cement mixer (used as a ball mill), and a Wilfley table or jig. The use of a cement mixer as a mill proved unreliable, so Mr. Stevens bought a small ball mill. That was powered by a six horsepower Lister diesel generator. Air for pit work was supplied by a 75 cubic feet per minute Canadian Ingersoll-Rand air compressor powered by a Wisconsin VF4 gas engine (Knud Rasmussen, pers. comm.).

Jack Stevens continued milling operations in 1972 and it is believed that the remainder of the outlined ore was treated. Total ore milled was probably 200 tons, with grades of 0.10 to 0.20 ounces per ton gold. There is no record of work done after 1972 (Dave Webb, pers. comm.). Can Mac Explorations Limited mined about 2,300 tons of ore grading 0.74 ounces per ton gold which was stockpiled to await shipment for custom milling (McDougall and Goad, 1989).

Early in 1990, negotiations to truck this ore to the Ptarmigan Mine for milling were completed. In March and May of 1990, a total of 2,206 tons were milled through flotation process to recover 268 ounces of gold (Tremenco Resources Ltd., 1990).

In 1993, the operation and lease to mine was purchased from Ger-Mac Contracting Limited, operated by Gerry Hess and Dave Webb (the principals of NDM), by Albert Eggenberger of Yellowknife and operations continued under the direction of Ger-Mac Contracting Limited. The following table shows the Mon Mine gold production from 1992 to 1997 (Source: Mackenzie Valley Land and Water Board – Water License N112-1598):

Year	Ore Milled	Gold Produced
1992	2,072 tons	6.2 kg.
1993	2,912 tons	43 kg.
1994	1,598 tons	20kg.
1995	465 tons	6.2 kg.
1996	2,242 tons	17.5 kg.
1997	1,808 tons	?
Total	11,097 tons	~100 kg

At the end of the operating season of 1997, no work was contemplated for the following year. No known underground reserves existed. The price of gold steadily dropped in the winter of 1997-1998 and continued operations at the Mon Mine were not seen as feasible. No further production has been done since. The lease to mine was returned to David Webb.

Historical Metallurgical Testing

In 2012, Met-Solve Labs carried out preliminary metallurgical testing on 46 samples of tailings collected by D. Webb from the Mon Gold Property. The objectives of the float tests were to produce a >150 g/t gold concentrate suitable for shipping, and to monitor the deportment of other elements via ICP assays, to assess the potential to used flotation to produce a marketable concentrate, and to assess the environmental aspects of these tailings. The samples had been collected by David Webb by auguring on a 10m x 10m grid covering the entire tailing area.

Samples that were identified as having a grade of <3 g/t of gold were mixed to produce one composite, while the remaining samples, >3 g/t of gold, were mixed to produce a second composite. Each composite was screened at 850 µm (20 mesh) to remove the coarse material that could have interfered with the flotation tests. The undersized material underwent kinetic flotation tests. Two bulk density tests were also done on each composite. No grinding or other “preconditioning” was to be completed, as Dr. Webb sought to find out if a saleable concentrate could be produced by simple flotation.

Despite the differences in head grade and mass yield, all four tests produced similar gold recoveries of about 87%. Although the two flotation tests on each material show some initial variation in gold grade, the final concentrates were similar. Despite the different head grades, both composites had similar response to flotation.

Two grinds were performed from the gravity separation and flotation test work at 57% and 67% minus 200 mesh. Each sample was passed over the Wilfley 1/8 shaking table with the gravity concentrate upgraded on a Mozley Mineral Separator. The combined gravity tailings were split into 2 kg charges and each was used for a bulk sulphide flotation test. A total of two flotation tests were done at each individual grind.

Met-Solve concluded that, although the two flotation tests on each material show some initial variation in gold grade, the final concentrates were similar. Despite the different head grades, both composites had similar response to flotation as illustrated by their similar mass-recovery curves. They recommended that additional flotation tests should be conducted on ground samples to improve recovery and concentrate grade. As the oversized material, +850 µm, contains 8-12% of the gold at approximately 2 g/t, these should be ground and floated with the undersize. Grinding may also improve liberation of the undersize fractions.

A laboratory testing program was conducted in 2014 by Inspectorate on a composite ore sample collected by Dave Webb from the pillars of the old stopes on the Mon Gold Property at UTM NAD83 Z.11 635,818.0 mE, 6,976,991.5 mN to determine its amenability to gold recovery via centrifugal gravity concentration followed by a comparison between direct cyanide leaching and sulphide flotation processes on the gravity tails. The tailings material was required for environmental testing.

The study covered the following major topics: head assay, gravity concentration at three grind sizes followed by:

- cyanide leaching on one half of the gravity tailings;
- rougher flotation kinetic assessment on the other half of the gravity tailings and;
- Intensive cyanide leaching of the flotation concentrate. Environmental tests including ABA and SWEP tests were also run on the tailings products to evaluate their potential for acid generation and leaching of metal species.

The study concluded that:

- The Mon Gold Property composite sample responded very well to gravity concentration, recovering 52.8% of the total gold in a single pass, in a concentrate Au grade of 11.5%.
- The bottle-roll leach of the gravity test tails indicated gold extraction was 98.0% after 24hrs.
- The gravity tails also responded very well to sulphide flotation, recovering 98.0% of the remaining gold in a concentrate representing 7.5% of the feed.
- The intensive leaching of the combined rougher flotation concentrates resulted in a gold extraction of 99.1% in just 7 hours of leaching.
- The combined results of both gravity-flotation-intensive leaching and gravity-cyanidation process routes proved that >99% of the gold can be recovered in either case.

The tails grades from the cyanidation and flotation tests were 1.12 and 1.26 g/t Au, respectively. With the addition of the intensive leach residues to the flotation tails, it is expected that the combined tails grade from these tests to be about 2.0g/t Au.

The environmental tests suggest that the gravity-flotation process route will produce tailings that are unlikely to generate acid due to the removal of the majority of the sulphides, and produce lower levels of dissolved species in tails leachate when compared to the gravity-cyanidation method. The Inspectorate study recommended variability testing on samples from various areas of the ore deposit to gauge their metallurgical response to the chosen processing method.

Geology

Regional

The Archean Slave craton is a preserved fragment of a once larger continental land mass (Bleeker, 2003) comprising Mesoarchean gneissic basement covered by a Neoarchean supracrustal assemblage (the 2800–2600 Ma Yellowknife Supergroup; Bleeker, 2002). Deposition of the supracrustal assemblage was protracted and occurred during several chronologically and tectonically distinct phases, including ca. 2730 to 2700 Ma rifting and mafic volcanism (greenstone belt formation; Isachsen et al., 1991; Isachsen and Bowring, 1997; Cousens, 2000; Bleeker, 2002; Cousens et al., 2006a; Bleeker and Hall, 2007), ca. 2690 and 2670 bimodal arc volcanism (Isachsen et al., 1991; van Breemen et al., 1992; Pehrsson and Villeneuve, 1999; Cousens et al., 2006a; Bleeker and Hall, 2007), ca. 2660 Ma arc-rifting and turbidite deposition (Ferguson et al., 2005), and ca. 2630 Ma arc-plutonism-volcanism and turbidite deposition in a back-arc basin (Davis et al., 2003; Ootes et al., 2009). The ca. 2660 and <2630 Ma greywacke-mudstone turbidites are dominated by detritus from the older volcanic rocks and, to a lesser degree, Mesoarchean basement rocks (Yamashita and Creaser, 1999; Ootes et al., 2009) and now account for >70 percent of the preserved supracrustal sequences. These supracrustal units were deformed, then exhumed and uncomfortably overlain by late orogenic molasses-type conglomerates (<2600 Ma; Isachsen et al., 1991; Bleeker and Hall, 2007) that were deposited upon the incised paleosurface and subsequently deformed along first order, crustal-scale fault zones (Martel and Lin, 2006).

Extensive Neoarchean plutons were emplaced during several pulses at ca. 2700, 2670, 2635 to 2620, and 2610 to 2602 Ma, with a final bloom of granitoids at 2600 to 2580 Ma (van Breemen et al., 1992; Davis and Bleeker, 1999; Pehrsson and Villeneuve, 1999; Ketchum et al., 2004; Bennett et al., 2005; Ootes et al., 2005, 2007; Bleeker and Hall, 2007). These latter plutons, ubiquitous throughout the southern part of the craton, range from two-mica granite (S-type) to hornblende biotite granite (I-type) and have well-established crystallization ages (van Breemen et al., 1992; Davis and Bleeker, 1999; Pehrsson and Villeneuve, 1999; Henderson, 2004; Bennett et al., 2005; Ootes et al., 2005; Bleeker et al., 2007). Collectively these plutons represent melts derived from pre-existing crust with minor mantle contributions, and in particular the S-type granites were derived from melting sedimentary rocks (migmatites-anatexis) at much deeper levels in the crust.

Local

In the immediate Yellowknife area, metamorphic grade is generally greenschist facies, with local amphibolite hornfels related to intrusion of 2630 to 260 Ma Deception Suite plutons and ca. 2592 Ma S-type plutons (Bethuneet Metal endowment is variable across the Slave Province. Most of the approximately sixteen greenstone belt domains contain at least one important deposit; some domains contain several major deposits of different types. For example, the Contwoyto and Back River domains contain large VMS deposits as well as notable BIF-hosted gold deposits, but lack economic vein gold deposits. On the other hand, the High Lake belt lacks BIF-hosted deposits, but contains significant VMS and vein-gold deposits. The Yellowknife Domain contains a large number of vein gold deposits in the volcanic and sedimentary rocks in addition to REE pegmatites in the sedimentary rocks, but major VMS and BIF-hosted deposits have not been discovered. The Hope Bay Domain appears similar to the Yellowknife

Domain in that numerous large vein gold deposits occur within a mixed mafic and felsic volcanic sequence that is dominated by pillowed and/or variolitic flows.

Across the Slave Province, significant gold and base metal deposits are hosted by supracrustal rocks that have been dated at circa 2700 Ma, 2660 Ma and 2615 Ma. In some domains (Contwoyto and Back River), individual supracrustal sequences host both gold and base metal deposits, but in other domains there appears to be a marked spatial separation between different deposit types. In the Courageous Lake and High Lake belts, VMS deposits occur within the oldest supracrustal sequence, whereas the gold deposits are hosted by the youngest sequences. Supracrustal sequences older than about 2720 Ma appear to be largely barren including the Winter Lake greenstone belt containing the oldest supracrustal rocks identified in Slave Province (circa 3200 Ma), and the circa 2820 Ma Central Slave Cover Group consisting of quartzite, felsic volcanic rocks, BIF and an ultramafic component (Bleeker et al., 1999).

The Yellowknife greenstone belt (YGB) is in the south-western part of the Slave Province. The stratigraphy and geological setting of the Yellowknife Greenstone Belt (YGB) are described in Henderson (1985), Helmstaedt and Padgham (1986), Kusky (1990), Bleeker (1996), Bleeker et al., (1997, 1999a, 1999b), and Isachsen and Bowring (1997). The YGB is regarded as the western margin of an Archean sedimentary basin (Burwash and the Cameron River and Beaulieu greenstone belts in the east (Henderson, 1970; Lambert, 1988). The basement on which these greenstone belts developed, or were thrust onto, is preserved along the eastern margin of the Cameron River belt, and in the Bell Lake area north of Yellowknife.

Property

The Property is underlain by a portion of the Sito Lake Complex, a part of the Yellowknife Supergroup consisting of mafic and felsic and mafic-intermediate intrusive rocks of the Kam and Banting Groups, and the overlying sediments of the Burwash Group. (Helmstaedt et al, 1985). These plunge steeply to the north (Helmstaedt et al, 1985). The Mon Gold Property lies on the west limb of the Sito Lake fold. An isograd transects the eastern part of the Mon Gold Property, separating cordierite grade rocks to the west from lower grade rocks to the east. Rocks of the Dwyer Lake Succession lie in a major isoclinal anticline (?) immediately to the west of the Mon Gold Property. The volcanic complex which lies to the east, separated by a splay of the Yellowknife River Fault, a north trending left lateral strike slip fault, along the western edge of Sito Lake. The Sito Lake complex is deformed into a major north-northwest facing, open syncline, the Sito Lake Fold.

McDougall and Goad (1989) report that the A Zone is hosted by metagraywackes and metamudstones to the east, and metagabbro and metamudstone to the west. Foliation is well developed in the metasediments and is parallel to the bedding, striking 150° – 160° and dipping steeply to the west. Two separate units of mafic metavolcanics are present near the west side of the Property. They are dominantly massive to pillowed flows with minor intercalated metasedimentary rocks. A number of gabbroic intrusions occur as sills concordant to the stratigraphy. These sills are, generally, quite massive with little evidence of differentiation or layering. A substantial shear zone forms the contact between felsic and mafic metavolcanic rocks west of Discovery Lake. It is concordant to stratigraphy – striking at 155° and dipping steeply to the east. This shear zone contains noticeable amounts of arsenopyrite resulting in gossanous surface exposures. Small-scale faulting has been observed in a few localities towards the southwestern side of the Mon Gold Property. They are typically present within metasediments, and are characterized by displacements of up to 20 cm.

Deposit Type

The Mon Gold Property deposits belong to a class which is widespread throughout the world, and have produced a large amount of gold and silver; they are often referred to as "Bendigo Type". Examples include Yellowknife, Northwest Territories, Canada; Red Lake and Timmins, Ontario, Canada; Kolar goldfield, India; Kalgoorlie goldfield, Western Australia; and the Cam and Motor, Dalny, and other

similar mines in Zimbabwe. Younger representatives are the Mother Lode system of California (Mesozoic); Comstock Lode, Nevada (Tertiary); Goldfield, Nevada (Tertiary); Cripple Creek, Colorado (Tertiary); Coromandel gold belt, New Zealand (Tertiary); Emperor mine, Fiji (Tertiary); Lebong and other auriferous districts, Indonesia (Tertiary); Lepanto mine, Philippines (Tertiary); Kasuga mine, Japan (Tertiary), and the Belaya Gora and other similar deposits in the far eastern Russia (Tertiary).

The Yellowknife Greenstone Belt deposits can be considered Archean Lode Gold deposits within an orogenic gold environment. These deposit types are well documented throughout the Canadian Shield. Gold deposition typically post-dates peak metamorphism and can be accompanied by retrograde metamorphism in the greenschist to amphibolite grade lithologies. Favorable structural settings include areas of contrasting lithological competency which result in brittle and ductile shearing as well as quartz-carbonate veining as stockwork and lode gold quartz veining.

The structure of vein-type gold deposits is defined by the shapes and geometrical relationships of mineralized bodies, the form of the mineralization making up these bodies, and the sequence of vein-forming events. Most mineralized zones occur within, or are spatially associated with shear zones, especially shear zones in larger systems of intersecting shear zone sets. They range in shape from tabular to linear, and in form from disseminated, to breccia, to stockwork or sheeted veinlet zones, to single veins. There typically is a complex history of mineral deposition which overlaps, and is genetically related to, the deformation that generated the host structural zone. The evidence indicates that veins are localized by tectonically-generated dilatancy in an environment of low mean stress caused by high fluid pressure. It is proposed that a major cause of tectonic dilation of shear zones is the interference between intersecting shears during bulk, inhomogeneous flattening by movement on systems of intersecting shear zone sets.

The deposits are developed predominantly in sequences of shale, sandstone, and greywacke dominantly of marine origin. Such sequences are invariably folded, generally in a complex manner, metamorphosed, granitized, and invaded by granitic rocks, forming extensive areas of slate, argillite, quartzite, greywacke, and their metamorphic equivalents. Near the granitic bodies, various types (kyanite, andalusite, and cordierite) of quartz-mica schists and hornfels are developed and grade imperceptibly into relatively unmetamorphosed slates, argillites, quartzites and greywacke marked by the development of sericite, chlorite and other low-grade metamorphic minerals. Most of the gold deposits are developed in the lower-grade facies. A few economic deposits occur in the granitic batholiths and stocks that invade the greywacke-slate sequences.

The Mon Gold Property deposit belongs to a sub-class termed Discordant Stratabound Gold Deposits (DSGD), and is hosted within a thickly bedded amphibolite-facies belonging to the Burwash Formation meta-argillite adjacent to a stratiform amphibolite unit. Gold mineralization occurs within and adjacent to a 1 to 3 meter wide zone comprising quartz veins and silicified argillite disposed in a horseshoe-shaped antiform with a 20 meter interlimb distance plunging moderately to the southeast. Gold is associated with sulphides that typically occur proximal to inclusions and quartz vein margins and include. The gold is hosted by veins, lodes, sheeted zones, and saddle reefs in faults, fractures, bedding-plane discontinuities and shears, drag folds, crushed zones, and openings on anticlines essentially in sedimentary terrains; also replacement tabular and irregular bodies developed near faults and fractures in chemically favourable beds. The mineralization of these particular deposits is characterized essentially by quartz; carbonate minerals, pyrite, arsenopyrite, base-metal sulfide minerals, and a variety of sulfosalt minerals. The principal gold minerals are the native metal and various tellurides; aurostibite occurs in some deposits. Characteristic types of wall rock alteration are generally developed adjacent to and in the vicinity of nearly all deposits in this class. In the old Precambrian rocks, the most common types of alteration are chloritization, carbonatization, sericitization, pyritization, arsenopyritization, and silicification. In the younger rocks, propylitization (chloritization and pyritization) is especially characteristic, and there may also be a development of adularization, silicification, kaolinization, sericitization, and more rarely alunization. The Mon Gold Property deposit is quite similar to the Discovery Mine, located 40 km to the north, in terms of host rocks (Burwash Formation argillites), proximity to mafic igneous rocks (<20

m), quartz vein size (>2m to <0.1m) and geometry (antiformal fold with 20 m interlimb distance), alteration type (alkali metasomatism, low carbonate) and extent (>5 m peripheral to veins), and gold grades reported (variable, but past production reported around 30 gpt).

Mineralization

There are five principal areas of gold mineralization on the Mon Gold Property, including the A-Zone. However, only the A-Zone has seen significant exploration. The quartz bearing ore veins lie near the contacts of a mixed sedimentary-volcanic sequence and thick gabbro sills. The vein system mostly follows the north-northwest striking contact between sills and sedimentary-volcanic rocks, but locally splays out into one or the other rock type. Individual quartz veins are typically lens-shaped, glassy in texture and vary in colour from white to gray. The vein system has been traced approximately 210 meters along strike and to depths generally less than 30 meters. Gold grades are erratic but appear to be correlative with the sulphide content of the veins which averages less than 1%. Interest has been focused primarily on an S-shaped quartz lens known as the A-zone, a 0.7 to 2meter wide semi-continuous vein with a strike length of 90m. Gold concentrations are greatest within the hinge of the folded vein (Lord, 1951).

Several of the mineralized showings are hosted by shear zones and are observed as gossanous schists proximal to the contact between felsic and mafic metavolcanics as well. Typically, the shears are strongly chloritic or hematitic and host small quartz veins. The mineralized shear zones generally display a salmon-pink colouration which is imparted by albitization/hematite. The shears commonly contain trace amounts of fine grained disseminated pyrite and arsenopyrite. The auriferous shear zones and vary in width from 10 cm to 4 m in thickness. They can only be traced over lengths up to 50 m. Grades ranging in grade from 0.5 g/t to 5 g/t gold were obtained from chip samples (McDougall and Goad, 1989). The “A” zone is the most significant prospect on the Mon Gold Property and has been described by Lord (1941). Generally, the quartz vein system strikes parallel to the north-northwest trending contact of a gabbro sill and sedimentary-volcanic rocks but, locally, the vein or a splay extends 3m into the enclosing wedge of volcanic and sedimentary rock. Veins within the system have a podiform or lenticular shape. Quartz is glassy and varies in colour from white to grey. The vein system has been traced 220m along strike and by drilling to depth of less than 40m. Vein width varies from less than 10cm to about 4m and averages 75 cm. Gold content is erratic, ranging from trace up to 274 g/t and averaging about 34 gpt. Veins host ore shoots that plunge moderately south. Quartz veins may contain as much as 10-15% silicified fragments, which are locally sulphide-rich. Quartz veins contain generally workings less than 1% sulphides and rarely up to 5% sulphides which are, in order of decreasing abundance, galena, sphalerite, pyrite, arsenopyrite, pyrrhotite and chalcopyrite. Visible gold is common and there is a direct correlation between gold grade and sulphide content. The gold mineralization is entirely within a broad envelope of albitization and associated hematization that is up to 25 m in width. Alteration is present as: Fracture – related metasomatism within the gabbro and greywacke and, pervasive bleaching of the dark grey-black pervasive bleaching of the light grey-pink aphanitic rock, previously thought to be flow-banded rhyolite of quartz latite.

McDougall and Goad (1989) report that gold appears to be associated with inclusions and wall rock contacts. The host rocks of the A zone mineralization are metasediments to the east and metagabbro and metamudstone to the west. Pervasive alteration of the metasediments occurs up to 2 meters from the veins. An outer zone of alteration is characterized by ubiquitous weak chloritization and local silicification and albitization along fine cross-cutting fractures. An inner alteration zone is defined by more intense silicification and albitization. Metasediments within this zone are generally bleached to a buff grey-pink colour and contain finely disseminated pyrite, biotite, chlorite and, locally, strong oxidation of pre-existing sulphide minerals.

Recent Exploration

The Corporation's exploration of the Mon Gold Property has comprised data compilation, diamond drilling (378.9 m from 5 holes), and prospecting. The 2017 exploration program consisted of up to two prospectors covering the entire Property, reviewing all previously identified showings and assessing the potential for 'low quartz' or "Ormsby-style" mineralization. The latter target refers to the gold mineralization associated with potassic-altered, sulphide-rich, structurally-hosted gold mineralization that characteristically has low quartz content (often <5% quartz). Disseminated sulphides were commonly noted in the wall rocks around the known showings and elsewhere and will need to be assessed if the sampling supports the low-quartz model. A geological review of selected targets was conducted at the end of this program. No assays have been received as of the date of this Prospectus.

The tent camp was reactivated July 8th and two prospectors started July 17th. The diamond drill was demobed during this period. One prospector returned to town on July 27th while the other remained in camp. Dr. D.R. Webb, P.Eng., P.Geol. moved onto the Property August 20 for five days. A total of 232 grabs samples were collected by prospectors and 21 samples were collected by D. Webb. These were delivered by the Company's expeditor to Maaxam Labs in Yellowknife for processing by PRP 70-250, AQ251 and FA550 procedures on samples with gold values >1 gpt (by AQ251) by Bureau Veritas Minerals in Vancouver. No results have been received as of the date of this Prospectus. Three areas that had previously been trenched by Cominco Ltd. in the 1940's were reviewed by D. Webb, and included in the sampling.

Five drill holes were completed in October, 2016. A total of 378.9 m of NQ coring was completed with >99% recoveries. The 2016 drilling program was carried out by the Optionor on behalf of the Corporation at a total cost of \$335,900. All drill holes intersected the A-Zone at target depths. The summary details are presented in the Table below:

Drill Hole	From (m)	To (m)	Gold (gpt) BVI	Gold (gpt) ALS	
NDM1	27.8	28.4	0.088	0.06	
NDM1	28.4	28.9	1.442	1.52	A-Zone
NDM1	28.9	29.7	0.178	0.06	
NDM1	29.7	30	0.096	0.08	
NDM2	33.8	34.3	0.008	<0.05	
NDM2	34.3	35.2	4.971	5.22	A-Zone
NDM2	35.2	35.7	0.084	<0.05	
NDM2	57.6	58.2	0.065	NA	
NDM3	24.6	25.1	0.049	NA	
NDM3	49.5	50.3	0.014	<0.05	
NDM3	50.3	51	14.9	15.1	A-Zone
NDM3	51	51.9	15.6	10.1	
NDM3	51.9	52.5	0.101	.06	
NDM4	69	70.3	0.048	<0.05	
NDM4	70.3	71	0.029	<0.05	
NDM4	71	71.9	0.051	<0.05	A-Zone
NDM4	71.9	72.9	0.084	0.12	
NDM4	72.9	73.6	0.078	0.10	
NDM4	77.9	78.5	0.928	NA	
NDM5	31	31.6	0.012	<0.05	
NDM5	31.6	32.7	0.643	1.87	A-Zone

Intersections range from true width at 50° inclination to 80% true width on -90° holes.

The October 2016 drill program intersected a gold-bearing quartz vein considered to be the downward extension of the A-Zone. The intersected gold grades are similar to those grades encountered in the past. Because of the "nugget effect", grades are expected to vary widely. According to the logs, the quartz vein contact with host rock ranged from 15 to 70 degrees, and so the true width would range from a low of

25% to 94% of the core length. The drilling has shown continuity of the A-Zone to a vertical depth of 54m below the East Stope and to a vertical depth of 63m below the West Stope.

Sampling Method and Approach

The drill core was logged and sampled in the field, with sawed half core samples bagged and delivered to Bureau Veritas Laboratories in Vancouver for AQ250 (aqua regia digestion and ICP-MS determination), FA330 (fire assay and ICP-ES determination), or FA530-Au (fire assay gravimetric). All gold values >0.5 gpt were determined by fire assay. Bureau Veritas is certified to ISO 9001:2008 standards.

It is the opinion of the author of the Technical Report that the sample preparation, security and analytical procedures are considered adequate and acceptable.

Sample Preparation, Analysis and Security

On July 26, 2016, the author of the Technical Report collected four continuous chip samples at the mouth of the central adit. The chip sample transect was not quite perpendicular to the mineralized quartz. As such, the true width of the mineralized zone is thinner than the sampled width. Each sample was collected over one-meter lengths and were quite large (2.18 – 3.50 kg.). The samples were placed in plastic sample bags, an ID tag emplaced, tied and then placed in large rice bags. These large bags remained in the author's possession in Yellowknife, then accompanied him as personal baggage to his office in Victoria, BC. Subsequently, they were shipped by Canada Post to the Veritas Laboratory in Vancouver. There is no relationship between the laboratory and the Corporation.

No officer, director or associate of the Corporation was involved in any aspect of sample collection or preparation. Sample preparation, security and analytical techniques were, in the Technical Report author's opinion, appropriate for this Property and stage of exploration.

Data Verification

One certified blank (CDN Labs GS BL-10, expected <0.01 ppm) returned a value of 8 ppb gold by AQ250 and one certified standard (CDN Labs GS-5T, expected 4.86 gpt (+/- 0.26) by gravimetric and 4.76 (+/- 0.21) by Instrumentation) returned a value of 4.643 gpt gold and 4.770 gpt by FA330 and AQ250 respectively. Internal repeats by reject and pulp checks tested three samples. Although this is a very small sample population, these results are considered adequate and acceptable.

Mineral Processing and Metallurgical Testing

Neither mineral processing nor metallurgical testing relative to the Mon Gold Property has been completed during the term of the Corporation's Earn-In Agreement.

Mineral Resource Estimates

The Mon Gold Property is an exploration stage property with no mineral reserves or resources to report at the present time.

Other Relevant Data and Information

There is no other data relevant to the Mon Gold Property to report.

Interpretation and Conclusions

The overall style of gold mineralization is consistent with many aspects of the orogenic gold deposit model of Groves et al. (1998). The A-Zone appears to be a viable exploration target for a "Discovery

Mine” type of deposit. This is best described as a stratabound non-stratiform quartz vein system. At the Mon Gold Property, the author of the Technical Report confirmed that the best grade mineralization is hosted by thick (1-3m) quartz veins that pinch and swell within a shear/vein complex. These are generally hosted within fine-grained clastic metasedimentary rocks, are typically folded and accompanied by substantial alkali metasomatism. The drill, trench and underground sampling indicate that the mineralization is subject to the “nugget effect”.

A review of the mine workings clearly shows the shallow south-plunging antiformal nature of this mineralization, confirmed by diamond drilling. The size, form and grade of the A-Zone is remarkably similar to the Discovery Mine, except for a much shallower plunge. The benefit of its shallow plunge allows for the identification of significant tonnage (for this type of deposit) from relatively shallow drilling. The easily identified and unique alteration package expands the target for exploration purposes.

Recommendations

It is recommended that a surface prospecting and sampling program be initiated to confirm and qualify old showings that have not been reviewed in several decades, as well as identify new showings. Three considerations drive this work, including 1) the price of gold has moved up substantially, enabling lower grade rocks to be potentially economic, 2) a new type of gold deposit has been identified in the Yellowknife Gold Belt where gold mineralization is not associated with significant quartz mineralization. This typically occurs in sheared, but not schistose rock (Ormsby Zone, Goodwin Lake Zone, and Clan Zone (formerly held by Tyhee Gold Corp), and 3) prospecting on adjacent properties has identified this new form of mineralization.

Additionally, recent drilling has confirmed mineralization below the mined-out stopes on the A-Zone. Erratic gold values, sometimes very high (nugget effect) limit the reliability of small samples. In order to ameliorate the nugget effect, it is proposed that a >1000 tonne bulk sample be collected from the “A” zone, with a view to establishing more reliable gold grades. The sample will allow for confirmation of the geometry and size of the vein, and the larger sampling will allow for a better estimate of the grade. It should be reasonable to extrapolate the grade a specified distance from the sample points within the vein up to the previously mined stopes, and downward a reasonable distance as determined using geological best practices. This underground work is not intended to provide an estimate of any mineral resources. The camp also needs to be reopened, and new stoves need to be installed.

The proposed programs and budgets are tabulated below:

Surface Exploration Work and Camp

The surface exploration work involves re-opening and outfitting the mine camp and surface field exploration:

Capital Budget:

Flights	\$ 11,000
Fuel	\$ 2,000
Boat and 15 hp	\$ 7,000
Generator	\$ 6,000
First Food	\$ 1,000
Tent repairs	\$ 1,000
Labour	<u>\$ 6,000</u>

Total: \$ 34,000

Surface Exploration

This surface exploration work includes ground (field) exploration and sampling:

Geology (2)	\$ 52,000
Assistant/Prospector (2)	\$ 34,500
Analyses (23 showings X 20 samples X \$50)	\$ 23,000
Trenching	\$ 50,000
Supplies (food, bags, tags)	\$ 8,000
Flights	\$ 15,000
Mobilization and Equipment	\$ 34,000
Reports, maps, general, administration and contingencies	<u>\$ 50,000</u>
Total:	\$ 266,500

The total for surface exploration is budgeted at around \$270,000. Trenching would be contingent upon targets being defined during prospecting.

Underground Exploration and Development Work (Phases 1 and 2)

The following underground program is not contingent on the results of the surface exploration program described above. It is intended to test the down dip continuity and grade of A-Zone mineralization observed in early mine workings and 2016 diamond drilling. The goal of this program is to collect a 1,000 tonne bulk sample from several locations along the vein. The large sample of the vein by sub-drifting will allow for a most definitive assessment of grade, width, and continuity which is critical in high-grade vein deposits.

The existing North Portal and associated decline will be re-opened. The decline will be extended an addition 250 to 300 meters, paralleling the vein. The vein will be accessed via four drawpoints driven on 20 meter centers to crosscut the vein. 80 meters of subdrifting along the vein from the drawpoints will provide sufficient tonnage for the bulk sample. The expected total cost of this program is \$2,882,500 and is broken down in the following table:

Item	Budget
Capital Equipment (tank(s), gensets (camp and mine), compressor, miscellaneous equipment and supplies) ⁽¹⁾	\$421,500
Heavy consumables	\$360,000
Winter road construction, maintenance and hauling	350,000
Sub-Total: Capital, Consumables and Delivery	\$1,131,500
Phase 1 – Ramp Development	\$888,000
Sub-Total: Capital, Consumables, Delivery and Phase 1	\$2,019,500
Phase 2 – Stope Development	\$863,000
Grand Total:	\$2,882,500

⁽¹⁾ In December, 2017 the Issuer advanced the sum of \$70,000 to an equipment supplier on account of the budgeted Phase 1 capital equipment acquisition costs.

The initial expenditures allow for winter road construction and the transport of the necessary mining equipment and heavy consumables. The Corporation owns two 2 yd. scooptrams, an underground haulage truck and a one-boom electric-hydraulic jumbo for use on this project. This mining

equipment, a fuel tank, mine and camp generators, air compressor, fuel, explosives and other mine consumables will be brought in on the winter road. Once the winter road is ready for use, it is expected that delivery to the mine site of the 12 truckloads will be completed in one week.

As access to the site for equipment and heavy consumables is only available on a winter ice road, which must be constructed each year, the use of leased or contractor-owned equipment would not be practical or economical. A junior company such as the Corporation would need to prepay an entire year's lease payments, as well as providing for the next year's winter road construction and demobilization costs, at an expected outlay greater than the value of the equipment. The purchase of equipment would allow the Corporation to have the equipment on site for future programs, while retaining the assets on its books, and avoiding demobilization costs.

The Phase 1 Ramp Development program would allow for ramp development to approximately 20 meters below the old stopes and provide access to the vein at 3 to 4 locations. Operations during mining will cost around \$30,000 per day in capital, fuel, explosives, labour and support. Initially, development should advance at a rate of 8 to 10 m per day (2 x 12 hr. shifts) 80% of the time after the portal and support is installed. Historically, operators have been able to use these historical underground workings with minimal remediation. The North Portal was closed by piling mine muck at the opening. This could be removed in 1 day with the equipment recommended. Timbering and hanging services could commence immediately after this and would take 1 day for the portal. This is included in the operating budget.

Development should continue as warranted, but 60 to 90 days could be considered appropriate, for a total additional expenditure of \$2 million to \$2.9 million. Approximately 250 to 300m is planned on the main ramp, with additional development as drawpoints, raises and sub drifts to collect vein material.

The ramp is designed to access the down-dip/plunge extent of the A-Zone 20 m below East and West Stopes, by 2.5 x 2.5 m "scram" (scoop tram) drifts, 10 m long spaced approximately 20 m apart. Numerous historical diamond drill holes have intersected mineralized vein material below the old stopes. It is expected that the grade of the vein can be tested below the old stopes in the subdrifts driven from each of the excavated drawpoints. This is a large enough sample to provide some preliminary guidance on the continuity of mineralization. All work would be conducted by a qualified and experienced mine contractor under the supervision and guidance of a NAPEGGA registered Professional Engineer.

The Corporation will not base its production decision for the Mon Gold Property on a feasibility study or mineral reserves demonstrating economic and technical viability, and as a result there is increased uncertainty and there are multiple technical and economic risks of failure, which are associated with such a production decision. These risks, among others, include areas that would be analyzed in more detail in a feasibility study, such as applying economic analysis to resources and reserves, more detailed metallurgy, and a number of specialized studies in areas such as mining and recovery methods, market analysis, and environmental and community impacts.

THERE ARE NO KNOWN MINERAL RESOURCES OR RESERVES ON THE MON GOLD PROPERTY, AND THE PROPOSED WORK IS AN EXPLORATORY SEARCH FOR ORE.

USE OF PROCEEDS

Proceeds

THE OFFERING HEREUNDER IS SUBJECT TO A MINIMUM SUBSCRIPTION OF 6,666,667 UNITS (\$1,000,000). IN THE EVENT SUCH SUBSCRIPTIONS ARE NOT ATTAINED WITHIN 90 DAYS OF THE ISSUANCE OF THE FINAL RECEIPT FOR THIS PROSPECTUS, ALL FUNDS RAISED HEREUNDER WILL BE RETAINED BY THE AGENT AND REFUNDED TO INVESTORS WITHOUT INTEREST OR DEDUCTION. In the event that subscriptions and subscription funds for 6,666,667 Units are not raised within 90 days of the issuance of a receipt for this Prospectus or, if an

amendment to this Prospectus has been filed and a receipt has been issued for such amendment, within 90 days of the issuance of a receipt for an amendment to the Prospectus and, in any event, not later than 180 days after the issuance of a receipt for the final Prospectus, all subscription monies will be returned to investors without interest or deduction.

Funds Available

If all the Units offered pursuant to this Offering are sold, the net proceeds to the Corporation will be \$2,760,000 (or \$920,000 in the event only the minimum Offering is sold), plus the sum of \$315,689 representing the Corporation's estimated working capital as at December 31, 2017, for an aggregate \$3,075,689 (or \$1,235,689 with the minimum Offering), as the total available funds to the Corporation, which funds are intended to be spent by the Corporation, in order of priority, as follows:

Principal Purposes

	<u>Maximum Offering</u>	<u>Minimum Offering</u>
(a) To pay the estimated remaining costs of this Offering (including legal, audit, listing fees, and printing expenses) ⁽¹⁾	\$150,000	\$150,000
(b) To pay the balance of the estimated cost of the recommended surface exploration work on the Mon Gold Property, as outlined in the Technical Report	\$177,000	\$177,000
(c) To pay the remaining estimated costs of the Phase 1 capital equipment acquisitions ⁽³⁾	\$351,500	\$351,500
(d) To pay the estimated costs of the recommended Phase 1 underground ramp development program on the Mon Gold Property, as outlined in the Technical Report ⁽²⁾ and consisting of an estimated \$360,000 for fuel and explosives, \$350,000 for winter road construction, and \$888,000 in estimated ramp development costs	\$1,598,000	Nil
(e) To provide funding sufficient to meet administrative costs for 12 months ⁽⁴⁾	\$180,000	\$180,000
(f) To provide general working capital to fund ongoing operations and expansion	<u>\$ 619,189</u>	<u>\$ 377,189</u>
Total:	<u>\$3,075,689</u>	<u>\$1,235,689</u>

⁽¹⁾ An advance of \$15,000 has been paid to the Agent for Offering expenses.

⁽²⁾ The maximum Offering will not be sufficient for the Corporation to complete the Phase 2 underground stoping development work for the bulk sample, as recommended in the Technical Report.

⁽³⁾ The recommended Phase 1 underground exploration and development work is not contingent upon the results of the surface exploration work. Only the estimated costs of the Phase 1 capital equipment acquisitions (e.g., tanks, gensets, compressor and some additional supplies) will be funded in the minimum Offering case. In December, 2017 the Issuer advanced the sum of \$70,000 to NDM for further payment to an equipment supplier on account of the budgeted Phase 1 capital equipment acquisition costs

⁽⁴⁾ Administrative costs include \$60,000 which will be paid to Ronald Handford's private company, Handford Management Inc., for management and administrative services. See "Interest of Management and Others in Material Transactions" and "Administrative Costs".

As shown above, the minimum Offering will allow the Corporation to pay for the balance of the surface exploration work (\$177,000) which will be completed in July to August 2018, as well as the acquisition of certain mining equipment (tanks, gensets (camp and mine), compressor, miscellaneous equipment and supplies) as outlined in the Technical Report at an estimated remaining cost of \$351,500.

The maximum Offering will cover all of these costs, and allow the Corporation to also cover the costs of all heavy consumables (fuel and explosives at an estimated cost of \$360,000), as well as winter road construction, maintenance and equipment and supplies hauling (at an estimated cost of 350,000), plus Phase 1 of the ramp development (at an estimated cost of \$888,000). Further details of the work and

budgeted costs are set out in the Technical Report. Assuming the maximum Offering is sold, the Corporation expects to complete the winter road construction between February to March 2018. The Phase 1 ramp development work is expected to proceed from June through to September 2018. Even if the maximum Offering is completed, the Corporation will not have sufficient funds to complete all of the Phase 2 stopping development work recommended in the Report. The Corporation intends to spend the funds available to it as stated in this Prospectus. There may be circumstances however, where, for sound business reasons, based on the recommendations of a qualified geologist or professional engineer, a reallocation of funds may be necessary.

Until required for the Corporation's purposes, the proceeds will be invested only in securities of, or those guaranteed by, the Government of Canada or any province of Canada, in certificates of deposit or interest-bearing accounts of Canadian chartered banks or trust companies or in prime commercial paper.

Administrative Costs

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

(i)	Office rent, travel, government fees and miscellaneous office supplies	\$35,000
(ii)	Transfer agent fees	10,000
(iii)	Professional fees (accounting, audit and legal)	50,000
(iv)	Insurance	25,000
(v)	Management and administrative salaries and service fees	<u>60,000⁽¹⁾</u>
Total:		<u>\$180,000</u>

⁽¹⁾ Payable to Handford Management Inc., a private company controlled by Ronald Handford, at a rate of \$5,000 per month over 12 months.

Business Objectives and Milestones

The Corporation has already commenced the Phase I exploration work in October 2017 (of which an estimated \$125,000 has been paid to date), and the Corporation should be able to complete the balance of the Phase I work by the end of September 2018 due to the intervention of winter conditions from November 2017 until June 2018, which will delay completion of the balance of the Phase I exploration work. Assay results are pending for the portion of the Phase I work which has been already completed. In order to accomplish the Phase I work, the Corporation must receive the assay results and geological reports, and pay the invoices of the geologist and field crew, as well as pay for logistics, transportation and assay services. The balance of the Phase I exploration work is estimated at a cost of \$145,000. For further details of the costs of the Phase I work, see the details of the total budget for the Phase I work under "*Narrative Description of the Business – Recommendations*" above.

In the event that the maximum Offering is completed by the end of December, 2017, then the Corporation should be able to complete the Phase II work by the end of September, 2018. In order to accomplish the Phase II work, the Corporation must complete capital equipment purchases (\$351,500), contract for winter road construction which is planned to be built in March or April 2018, deliver equipment to the project site on the winter road, set up the camp on the project site, clean up the portal to underground workings and undertake the extension of the decline and access drifts to the bulk sampling zone (collectively, a total of \$1,598,000). For further details of the costs of the Phase II work, see the details of the total budget for the Phase II work under "*Narrative Description of the Business – Recommendations*" above.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

Annual Information

The following table sets forth summary financial information of the Corporation for the first fiscal year from date of incorporation on July 7, 2016, to October 31, 2016, and the audited financial information for the fiscal year ended October 31, 2017. The following information has been summarized from the Corporation's audited financial statements for the fiscal year ended October 31, 2016 and audited financial statements for the fiscal year ended October 31, 2017. This summary financial information should only be read in conjunction with the Corporation's financial statements, including the notes thereto, included elsewhere in this Prospectus.

	YEAR ENDED OCTOBER 31, 2016 (AUDITED)	FISCAL YEAR ENDED OCTOBER 31, 2017 (AUDITED)
Total revenues	Nil	Nil
Total expenses	162,690	620,384
Net income (loss)	(162,690)	(620,384)
Current Assets	1,169,625	597,499
Total assets	1,779,035	1,957,131
Current Liabilities	95,905	135,889
Long-term financial liabilities	Nil	Nil
Shareholders' Equity	1,683,130	1,821,242
Cash dividends per share	Nil	Nil

Dividends

The Corporation has neither declared nor paid any dividends on its Shares. The Corporation intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its Shares in the foreseeable future.

Management's Discussion and Analysis

This discussion is of the audited financial statements of the Corporation for the fiscal period from the date of incorporation, July 7, 2016, to October 31, 2016, and the audited financial statements for the fiscal year ended October 31, 2017. The financial statements are included in this Prospectus and should be referred to when reading this discussion. The financial statements summarize the financial impact of the Corporation's financings, investments and operations.

Capital Resources and Liquidity

Since inception the Corporation's capital resources have been limited. The Corporation has had to rely upon the sale of equity securities for cash required for exploration and development purposes, for property acquisitions, and to fund the management and administration of the Corporation. Since the Corporation does not expect to generate any revenues in the near future, it will have to continue to rely upon sales of its equity and debt securities to raise capital. It follows that there can be no assurance that financing, whether equity or debt, will always be available to the Corporation in the amount required at any particular time or, if available, that it can be obtained on terms satisfactory to the Corporation.

The Corporation's ability to continue as a going-concern is dependent upon its ability to achieve profitability and fund any additional losses it may incur. The financial statements are prepared on a going concern basis, which implies that the Corporation will realize its assets and discharge its liabilities in the normal course of business. The financial statements do not reflect adjustments to the carrying value of

assets and liabilities that would be necessary if the Corporation were unable to achieve and maintain profitable operations.

It is anticipated that the minimum Offering will fund the continued operations of the Corporation until December, 2018, and the maximum Offering will fund the continued operations of the Corporation until May 31, 2019. The estimated operating costs for the Corporation until December 31, 2018 are expected to be \$210,000, and until May 31, 2019 are expected to be \$285,000. Other material capital expenditures to December 31, 2018 will be the minimum Phase II capital equipment costs remaining estimated at \$351,500. Additional mine development costs through to May 31, 2019 for the minimum Phase II work will be \$1,598,000, if sufficient capital funding is available to the Corporation (see “*Business Objectives and Milestones*” above for further details).

Fiscal Year Ended October 31, 2016

During the fiscal year ended October 31, 2016, the Corporation incurred expenses of \$162,690 with no revenues, for a net loss of \$162,690. The Corporation completed deferred exploration expenditures of \$504,796, and incurred \$16,614 in property acquisition costs. During the fiscal year ended October 31, 2016, the Corporation issued a total of 31,420,000 common shares and 9,158,500 share purchase warrants (including brokers’ warrants – see: *Description of Securities Issued* below for further details), pursuant to seed capital private placements, to raise gross proceeds of \$1,627,419, with share issuance costs of \$253,081.

Fiscal Year Ended October 31, 2017

During the fiscal year ended October 31, 2017, the Corporation incurred expenses of \$620,384 with no revenues, for a net loss of \$620,384. The Corporation completed further deferred exploration expenditures of \$723,952 in the year, and incurred another \$26,270 in property acquisition costs. The deferred exploration expenditures included \$642,532 in mining equipment acquisitions anticipated to be used in future bulk sampling activities, \$41,350 in drilling expenditures, \$47,334 in flights, \$33,194 in management and supervision costs, \$25,796 in assaying and prospecting costs, \$13,641 for storage and transport of equipment, and \$41,472 for camp costs. \$147,456 of these expenditures were offset against the advance to NDM in the prior year. Corporate development expenditures of \$25,964 included \$20,000 in write-offs of retainer related to a potential merger with a capital pool company, with which discussions were terminated in the third quarter, and \$5,964 in travel and assessment costs related to a potential property acquisition. Professional fees of \$143,333 during the fiscal year included \$40,000 for an introduction fee, paid in shares to the Agent, an arm’s length person (400,000 shares at \$0.10 per share), relating to appointment of two directors of the Corporation, and the balance was for legal fees of \$103,333 for general corporate matters and assistance with the capital pool company transaction. During the fiscal year ended October 31, 2017, the Corporation issued another 5,283,333 common shares and 2,571,666 share purchase warrants (see: Prior Sales below for further details), to raise gross proceeds of another \$547,500 including \$7,500 for option exercise, with share issuance costs of \$106,096.

The Corporation’s ability to continue as a going-concern is dependent upon its ability to achieve profitability and fund any additional losses it may incur. The financial statements are prepared on a going concern basis, which implies that the Corporation will realize its assets and discharge its liabilities in the normal course of business. The financial statements do not reflect adjustments to the carrying value of assets and liabilities that would be necessary if the Corporation were unable to achieve and maintain profitable operations.

Subsequent to Fiscal Year Ended October 31, 2017

Subsequent to the year ended October 31, 2017, the Corporation has made the annual royalty payment of US\$20,000 to the Royalty Holder. The Corporation also authorized NDM to contract out the 2018 ice road construction for the winter road to the Property. On November 3, 2017, \$34,000 was paid by NDM

to the contractor, which represents 10% of the total contract. This amount will be offset against the Corporation's advance to NDM. The deposit is refundable in the event that the permits are not granted and the work does not proceed.

Related Party Transactions

On July 28, 2016, the Corporation issued 6,000,000 common shares for gross proceeds of \$30,000 to John Campbell, who was at that time the sole director and officer of the Corporation, for initial seed working capital. On September 9, 2016, Mr. Campbell returned 2,400,000 common shares to the Corporation as a gift for cancellation, and the shares were cancelled. On August 31, 2016, 200,000 common shares were issued to Ronald Handford, immediately prior to his appointment as the Chief Executive Officer of the Corporation, and John Campbell, the sole director and an officer of the Corporation, as finder's fees for raising equity financing for the Corporation. These shares were valued at \$0.025 per share for a total value of \$10,000, based on the private placement offering price at that time. During the period ended October 31, 2016, management fees of \$7,844 were paid to Handford Management Inc., a private consulting company controlled by Ronald Handford, the Chief Executive Officer. During the fiscal year ended October 31, 2017, further management fees of \$66,000 were paid to Handford Management Inc., and consulting fees \$10,000 were paid to Freebird Capital Corp. a private company controlled by Andriyko Herchak, the former Chief Financial Officer. The Corporation granted 1,750,000 stock options on September 22, 2017 and recorded share-based payments of \$227,049 to the directors and officers of the Corporation. In addition, the Corporation also recorded a share-based payment of \$28,859 for options granted to the Chief Executive Officer.

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized share capital of the Corporation at the date of this Prospectus consists of an unlimited number of common shares without par value. As of the date of this Prospectus, 36,703,333 Shares were issued and outstanding as fully paid and non-assessable shares, and the Corporation has issued share purchase warrants to acquire a further 11,730,166 Shares plus stock options to acquire another 2,020,000 shares (see "*Prior Sales*" and "Options to Purchase Securities" below for further details), for a total of 50,453,499 Shares on a fully diluted basis.

Each Unit offered under this Prospectus is comprised of one (1) Share and one-half (½) of a Warrant, having the special rights and restrictions, or terms and conditions set forth below.

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 Corporation and each Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Corporation. The holders of the Shares, subject to the prior rights, if any, of any other class of shares of the Corporation, are entitled to receive such dividends in any financial year as the board of directors of the Corporation may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the holders of the Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Corporation, the remaining property and assets of the Corporation.

Warrants

The Corporation has previously issued Share purchase warrants to acquire up to a further 11,730,166 Shares at exercise prices of \$0.10 per Share and \$0.25 per Share, exercisable until Sept. 30, 2019 (see, "*Prior Sales*" below for further details). The prior issued warrants contain provisions for the acceleration of their expiry dates whereby in the event that the Shares trade on a recognized stock exchange at a price greater than \$0.50 per Share for 10 consecutive trading days or more, then the Corporation may give notice to the warrant holders, requiring them to exercise their warrants within the next 30 days.

Each whole Warrant being offered under this Prospectus is non-transferable and exercisable to purchase one (1) Warrant Share at an exercise price of \$0.25 per Warrant Share, if exercised at any time on or before 5:00 p.m. (Vancouver local time) within twenty-four (24) months of the Closing Date (the “**Expiry Time**”).

The Warrants forming a part of the Units offered hereunder will be subject to the terms and conditions of a warrant indenture (the “**Warrant Indenture**”) with TSX Trust Company (the “**Warrant Agent**”), as the warrant agent, to be entered into on the Closing Date. The following summary of certain provisions of the Warrant Indenture does not purport to be complete and is subject in its entirety to the detailed provisions of the Warrant Indenture. Investors are referred to the full text of the Warrant Indenture for the attributes of the Warrants, which will be filed by the Corporation on SEDAR at www.sedar.com under its corporate profile following the closing of the Offering.

The Warrant Indenture will contain, among other things, anti-dilution provisions and provisions for the appropriate adjustment of the class, number and price of shares issuable pursuant to the exercise thereof upon the occurrence of certain stated events, including any subdivision, consolidation, or reclassification of the Shares or the payment of stock dividends or the amalgamation of the Corporation.

The Warrant Agent will act solely as the Corporation’s agent in connection with the Warrants, and will not assume any obligation or relationship of agency for or with holders or beneficial owners of Warrants. A register of Warrant holders will be maintained by the Warrant Agent.

Warrants will be exercisable upon surrender of the Warrant certificate representing such Warrants on or before the Expiry Time at the principal office of the Warrant Agent, with notice of exercise duly completed and executed as indicated thereon, accompanied by payment of the exercise price for the number of Warrants being exercised, all in accordance with the terms of the Warrant Indenture. However, the Warrants will not be exercisable by or on behalf of a person in the United States, nor will certificates representing Shares upon the exercise of any Warrants be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. *Securities Act of 1933* and any applicable securities laws of any state of the United States is available, and the Corporation has received an opinion of counsel of recognized standing to such effect in form and substance satisfactory to the Corporation.

No fractional Shares will be issuable upon the exercise of any Warrants, and no cash or other consideration will be paid in lieu of fractional Shares. Prior to the exercise of their Warrants, holders of Warrants exercisable for Shares will not have any rights as holders of common shares, and in particular will not be entitled to dividend payments, if declared, or voting rights of the common shares of the Corporation.

From time to time, the Corporation and the Warrant Agent, without the consent of the holders of the Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by “extraordinary resolution”, which will be defined in the Warrant Indenture as a resolution either (i) passed at a meeting of the holders of the Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 20% of the aggregate number of all of the then outstanding Warrants and passed by an affirmative vote of holders representing not less than 66⅔% of the aggregate number of the then outstanding Warrants represented at the meeting and voted on a poll upon such resolution; or (ii) adopted by an instrument in writing signed by the holders of not less than 66⅔% of the aggregate number of all then outstanding Warrants.

Agent's Warrants

The Corporation has also agreed to grant to the Agent, Agent's Warrants entitling the Agent to purchase up to that amount of Shares as is equal to 8.0% of the number of Units sold pursuant to this Prospectus at \$0.15 per Share. Except for the exercise price, the Agent's Warrants will have terms and conditions identical to the Warrants. See "*Plan of Distribution*".

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Corporation's capitalization since October 31, 2017, and after giving effect to this Offering, assuming the maximum Offering is obtained:

DESCRIPTION	AUTHORIZED AT THE DATE OF THIS PROSPECTUS	OUTSTANDING AS AT OCTOBER 31, 2017 (AUDITED)	OUTSTANDING AT THE DATE OF THIS PROSPECTUS (UNAUDITED)	OUTSTANDING AFTER GIVING EFFECT TO THE MINIMUM/MAXIMUM OFFERING (UNAUDITED)
Shares	Unlimited	36,703,333	36,703,333	43,370,000/56,703,333 ⁽¹⁾
Warrants	Unlimited	11,730,166	11,730,166 ⁽²⁾	15,596,832/23,330,166 ⁽²⁾
Long Term Debt	Nil	Nil	Nil	Nil/Nil

⁽¹⁾ As partial consideration for the sale of Units pursuant to this Prospectus the Corporation has agreed to grant the Agent, non-transferable Agent's Warrants entitling the Agent to purchase up to that amount of Shares as is equal to 8.0% of the number of Units sold pursuant to this Offering. The Agent's Warrants may be exercised at a price of \$0.15 per Share for a period of twenty-four (24) months from the Closing Date. The Shares issuable on exercise of the Warrants and Agent's Warrants are not reflected in this figure. As well, the Shares to be issued on exercise of prior outstanding share purchase warrants and incentive stock options are not reflected in this figure.

⁽²⁾ This figure represents the 11,730,166 previously issued warrants; 3,333,333/10,000,000 Warrants issuable under the minimum/maximum Offering; 533,333/1,600,000 Agent's Warrants for the minimum/maximum Offering; and does not include the outstanding stock options to acquire up to 2,020,000 Shares.

OPTIONS TO PURCHASE SECURITIES

Stock Option

By a stock option agreement dated effective September 1, 2016 between the Corporation and Ronald Handford, the Chief Executive Officer of the Corporation, Mr. Handford has the right to purchase up to 150,000 Shares at an exercise price equal to \$0.15 per Share until September 1, 2021. This stock option was granted prior to the establishment of the Corporation's Stock Option Plan described below, but is now subject to the terms of the Stock Option Plan, and is fully vested.

Stock Option Plan

A Stock Option Plan was approved by the Corporation's directors on July 27, 2017, and will be submitted to the Corporation's shareholders for approval, at the Corporation's next general meeting of shareholders. The purpose of the Stock Option Plan is to assist the Corporation in attracting, retaining and motivating directors, officers, employees and consultants (together "service providers") of the Corporation and of its affiliates and to closely align the personal interests of such service providers with the interests of the Corporation and its shareholders.

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 Shares of the Corporation issued and outstanding from time to time, together with all of the Corporation's other previously granted options (see immediately above under "*Stock Option*" for details of a prior issued stock option).

The Stock Option Plan will be administered by the board of directors of the Corporation, 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 service providers of the Corporation and its affiliates, if any, as the board of directors may from time to time designate. The exercise prices shall be

determined by the board of directors, but shall, in no event, be less than the closing market price of the Corporation's shares on the Exchange, less the maximum discount permitted under the Exchange policies. The Stock Option Plan provides that the number of Shares issuable on the exercise of options granted to all persons together with all of the Corporation's other previously granted options may not exceed 10% of the Corporation's issued and outstanding Shares. In addition, the number of Shares which 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 shares on a yearly basis. The maximum number of options which may be granted within any 12 month period to employees or consultants engaged in investor relations activities must not exceed 2% of the total outstanding issued shares, and such options must vest in stages over 12 months with no more than 25% of the options vesting in any three month period. Subject to earlier termination and in the event of dismissal for cause, termination other than for cause or in the event of death, 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 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.

As of the date of this Prospectus, eleven (11) options to purchase up to 2,020,000 Shares of the Corporation have been granted to the Corporation's directors (who are not executive officers), executive officers, and employees, as set forth below as groups, pursuant to incentive option agreements dated for reference September 1, 2016 and September 22, 2017, all of which are fully vested:

OPTIONEE	NUMBER OF COMMON SHARES OPTIONED	EXERCISE PRICE	EXPIRY DATE
Executive Officers, as a Group	150,000 ⁽¹⁾	\$0.15	Sept. 1, 2021
	750,000	\$0.15	Five years from the Listing Date
Directors, as a Group	1,000,000	\$0.15	Five years from the Listing Date
Employees, as a Group	120,000	\$0.15	Five years from the Listing Date
TOTAL:	2,020,000		

- ⁽¹⁾ Including the stock option issued to Ronald Handford prior to adoption of the Stock Option Plan, but now part of the Stock Option Plan adopted July 27, 2017. Mr. Handford has previously exercised a portion of this stock option for 100,000 shares at a prior exercise price of \$0.075 per share.

PRIOR SALES

Shares

The following table summarizes the sales of Shares of the Corporation during the 12 month period prior to the date of this Prospectus:

DATE	PRICE PER SECURITY OR EXERCISE PRICE	NUMBER OF SECURITIES	REASON FOR ISSUANCE
July 7, 2016	\$0.01 per Share	One (1) Share ⁽¹⁾	Incorporation
July 28, 2016	\$0.005 per Share	6,000,000 Shares ⁽¹⁾	Private Placement
August 31, 2016	\$0.025 per Share	6,400,000 Shares	Private Placement
August 31, 2016	\$0.025 per Share (deemed)	400,000 Shares	Financial Consulting services ⁽²⁾
Sept. 9, 2016	N/A	(2,400,001)	Share cancellation
Sept. 9, 2016	\$0.025 per Share	6,020,000 Shares ⁽³⁾	Private Placement
Sept. 20, 2016	\$0.10 per Share	6,500,000 Shares ⁽⁴⁾	Private Placement
October 28, 2016	\$0.10 per Share	8,900,000 Shares ⁽⁴⁾	Private Placement
Dec. 1, 2016	\$0.10 per Share	1,800,000 Shares ⁽⁴⁾	Private Placement

DATE	PRICE PER SECURITY OR EXERCISE PRICE	NUMBER OF SECURITIES	REASON FOR ISSUANCE
Dec. 1, 2016	\$0.10 per Share (deemed)	400,000 Shares	Finder's Fees ⁽⁵⁾
June 28, 2017	\$0.12 per Share	2,000,000 ⁽⁴⁾	Private Placement
August 31, 2017	\$0.12 per Share	583,333 ⁽⁴⁾	Private Placement
September 22, 2017	\$0.075 per Share	100,000 ⁽⁶⁾	Exercise of stock option
TOTAL:		36,703,333 Shares	

⁽¹⁾ Of these Shares, 2,400,001 Shares were returned to the Corporation by way of gift for cancellation on September 9, 2016.

⁽²⁾ Issued to John Campbell, who was Chairman, President, Secretary and Director of the Corporation at that time, as to 200,000 Shares, and to Ronald Handford, immediately prior to his appointment as Chief Executive Officer, as to 200,000 shares for financial services rendered to the Corporation.

⁽³⁾ Of these shares, 400,000 shares were subscribed for, but mistakenly not issued until after the Corporation's last fiscal year end.

⁽⁴⁾ Issued as part of a unit private placement offering (see "Warrants" below).

⁽⁵⁾ Issued to Mackie Research Capital Corp. with respect to the introduction of two individuals to the Corporation.

⁽⁶⁾ Issued to Ronald Handford on exercise of a previously granted stock option.

Warrants

The following table summarizes details of the Share purchase warrants issued by the Corporation during the 12 month period prior to the date of this Prospectus:

DATE OF ISSUANCE	EXERCISE PRICE PER SECURITY (\$) AND EXPIRY DATE	NUMBER OF SECURITIES	REASON FOR ISSUANCE
Sept. 20, 2016	Exercisable at \$0.25 per share until Sept. 30, 2019	3,250,000 warrants	Unit Private Placement
Sept. 20, 2016	Exercisable at \$0.10 per share until Sept. 30, 2019	650,000 agent's warrants	Finder's Fee
October 28, 2016	Exercisable at \$0.25 per share until Sept. 30, 2019	4,450,000 warrants	Unit Private Placement
October 28, 2016	Exercisable at \$0.10 per share until Sept. 30, 2019	808,500 agent's warrants ⁽¹⁾	Finder's Fee
Dec. 1, 2016	Exercisable at \$0.25 per share until Sept. 30, 2019	900,000 warrants	Unit Private Placement
Dec. 1, 2016	Exercisable at \$0.10 per share until Sept. 30, 2019	180,000 agent's warrants	Finder's Fee
June 28, 2017	Exercisable at \$0.25 per share until Sept. 30, 2019	1,000,000 warrants	Unit Private Placement
June 28, 2017	Exercisable at \$0.25 per share until Sept. 30, 2019	200,000 agent's warrants	Finder's Fee
August 31, 2017	Exercisable at \$0.25 per share until Sept. 30, 2019	291,666 warrants	Unit Private Placement
TOTAL:		11,730,166 warrants	

⁽¹⁾ Of these agent's warrants, 193,500 were issued to Intrinsyc Capital Corporation, and the balance of 615,000 were issued to the Agent.

On June 20, 2017, the prior issued warrants for up to 3,250,000 Shares originally expiring September 20, 2018 were all extended to September 30, 2019. The prior issued warrants for up to 5,350,000 Shares originally expiring October 28, 2018 and December 1, 2018 were also extended to September 30, 2019, and are also issued subject to the terms and conditions of a warrant indenture dated October 28, 2016 between the Corporation and TSX Trust Company, as warrant agent, as amended by Warrant Supplement dated June 28, 2017. On June 20, 2017, the prior issued agents' warrants for up to another 1,638,500 Shares originally expiring September 20, 2018, October 28, 2018 and December 1, 2018 were all extended to an expiry date of September 30, 2019.

ESCROWED SHARES

Escrowed Securities

Under the applicable policies and notices of the Canadian Securities Administrators securities held by Principals (as defined below) are required to be held in escrow in accordance with the national escrow regime applicable to initial public distributions. Equity securities owned or controlled by Principals, including Shares, share purchase warrants, and common shares issued on the exercise of previously issued share purchase warrants, are subject to the escrow requirements.

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

- (i) directors and senior officers of the Corporation or of a material operating subsidiary of the Corporation, as listed in this Prospectus;
- (ii) promoters of the Corporation during the two years preceding this Offering;
- (iii) those who own and/or control more than 10% of the Corporation's voting securities immediately after completion of this Offering if they also have appointed or have the right to appoint a director or senior officer of the Corporation or of a material operating subsidiary of the Corporation;
- (iv) those who own and/or control more than 20% of the Corporation's voting securities immediately after completion of this Offering; and
- (v) associates and affiliates of any of the above.

The Principals of the Corporation are all of the directors and senior officers of the Corporation, and their associates and affiliates.

Pursuant to an agreement (the "**Escrow Agreement**") dated as of September 22, 2017 among the Corporation, TSX Trust Company (the "**Escrow Agent**") and the Principals of the Corporation, the Principals agreed to deposit in escrow their securities (the "**Escrowed Securities**") with the Escrow Agent. The Escrow Agreement provides that the Escrowed Securities will be released from escrow in equal blocks at 6 month intervals over the 36 months following the issue of the final receipt for this Prospectus (that is 15% of each Principal's holdings being released in each block) (with 10% of each Principal's holdings being released on the date of listing of the Shares on the Exchange).

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

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

- (i) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Corporation or of a material operating subsidiary, with approval of the Corporation's board of directors;
- (ii) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children;
- (iii) transfers upon bankruptcy to the trustee in bankruptcy; and
- (iv) pledges to a financial institution as collateral for a *bona fide* loan, provided that upon a realization the securities remain subject to escrow. Tenders of Escrowed Securities to a take-over bid are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

The following table sets forth details of the issued and outstanding Shares that are subject to the Escrow Agreement:

NAME OF PRINCIPAL OR ASSOCIATE	NO. OF ESCROWED COMMON SHARES	OFFERING PERCENTAGE (AFTER GIVING EFFECT TO THE MIN/MAX OFFERING) ⁽¹⁾
RONALD HANDFORD	500,000	1.15%/0.882%
JOHN CAMPBELL AND SHUN-WEN LIN	4,600,000	10.61%/8.112%
GRANT BLOCK	800,000	1.84%/1.411%
IAN KLASSEN	800,000	1.84%/1.411%
ANDRIYKO HERCHAK	1,600,000 ⁽²⁾	3.69%/2.822%
BRIAN MALAHOFF	Nil	0%/0%
TOTAL:	8,300,000	<u>19.13%/14.64%</u>

(1) Assuming no exercise of Warrants, Agent's Warrants or prior issued convertible securities, and no purchases by the above named persons of Units under the Offering.

(2) Including 500,000 shares held indirectly by a private company controlled by Mr. Herchak, Freebird Capital Corp.

PRINCIPAL SHAREHOLDERS

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

PRIOR TO THE OFFERING			AFTER GIVING EFFECT TO THE MIN/MAX OFFERING ⁽¹⁾	
NAME	NUMBER OF COMMON SHARES BENEFICIALLY OWNED DIRECTLY OR INDIRECTLY	PERCENTAGE OF COMMON SHARES HELD	NUMBER OF COMMON SHARES BENEFICIALLY OWNED DIRECTLY OR INDIRECTLY	PERCENTAGE OF COMMON SHARES HELD
JOHN CAMPBELL	4,600,000 ⁽²⁾	12.53%	4,600,000	10.61%/8.11%

(1) Assuming no exercise of the Warrants, Agent's Warrants, or prior issued convertible securities, and no purchases by the named persons of Units under the Offering.

(2) Held jointly with Mr. Campbell's spouse, Shun-Wen Lin.

DIRECTORS AND OFFICERS

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

NAME AND PROVINCE OF RESIDENCE AND POSITION WITH THE CORPORATION	DIRECTOR/ OFFICER SINCE	PRINCIPAL OCCUPATION FOR THE PAST FIVE YEARS	COMMON SHARES BENEFICIALLY OWNED DIRECTLY OR INDIRECTLY AT THE DATE OF THIS PROSPECTUS ⁽¹⁾
RONALD LEWIS HANDFORD British Columbia, Canada <i>Chief Executive Officer and Director</i>	Chief Executive Officer since September 1, 2016; Director since July 24, 2017	Professional Engineer; President of Handford Management Inc., a private management services company; Vice President,, Communications for GMV Minerals Inc. from Sept. 2016 to present; previously Executive Vice President, Corporate Development for Yellowhead Mining Inc. from June 2010 to Dec. 2013	500,000 (Directly)
NORMAN JOHN CAMPBELL⁽²⁾ British Columbia, Canada <i>Chairman, President, Chief Financial Officer, Secretary and Director</i>	President, Secretary and Director since July 7, 2016; Chief Financial Officer since July 1, 2017; and Chairman since July 24, 2017	Chartered Professional Accountant, CA; Co-Founder, and Chairman of Triview Capital Ltd., an exempt market dealer, since May 2011, and Chief Financial Officer of Triview Capital Ltd. since Feb. 2016; previously Managing Director of Second City Capital from August 2013 to Dec. 2014, and Founder, Chief Commercial Officer and Portfolio Manager for Camlin Asset Management from Aug. 2004 to July 2013	4,600,000 (Directly) ⁽³⁾
GRANT PAUL BLOCK⁽²⁾ British Columbia, Canada <i>Director</i>	July 24, 2017	Chartered Professional Accountant, CA; Managing Partner of Davidson & Co., LLP; director of Identillect Technologies Corp., an email encryption software company since May 2016	800,000 (Directly)
IAN McCULLOCH KLASSEN British Columbia, Canada <i>Director</i>	July 24, 2017	Chief Executive Officer, Grande Portage Resources Ltd. since March 2006; Director since 2007 and President & CEO GMV Minerals Inc. since March 2009; Director of Canabo Medical Inc. since November 2016; and a director of several mining exploration companies	800,000 (Directly)

NAME AND PROVINCE OF RESIDENCE AND POSITION WITH THE CORPORATION	DIRECTOR/ OFFICER SINCE	PRINCIPAL OCCUPATION FOR THE PAST FIVE YEARS	COMMON SHARES BENEFICIALLY OWNED DIRECTLY OR INDIRECTLY AT THE DATE OF THIS PROSPECTUS ⁽¹⁾
ANDRIY (ANDRIYKO) TARAS HERCHAK⁽²⁾ British Columbia, Canada <i>Director (and formerly Chief Financial Officer)</i>	July 24, 2017	Chartered Professional Accountant, CA; President & CEO of FinCanna Capital Corp., a medical cannabis royalty investment company, since April 2017 to present; previously CFO of the Corporation from Feb. 2017 to Mar. 2017; CFO of Jewel Holdings Ltd., a pipeline fabricator, from June 2015 to April 2017; and CFO of NexGen Energy Ltd., a uranium development company, from May 2013 to Nov. 2014	1,100,000 (Directly) 500,000 (Indirectly)
BRIAN THOMSON MALAHOFF British Columbia, Canada <i>Director</i>	July 24, 2017	Professional Geologist	Nil

(1) All Shares are held in escrow (see: “Escrowed Shares”).

(2) Denotes a member of the Audit Committee of the Corporation.

(3) These shares are held by Mr. Campbell jointly with his spouse, Shun-Wen Lin.

The term of office of the directors expires annually at the time of the Corporation’s annual general meeting. The term of office of the officers expires at the discretion of the Corporation’s directors.

The total Shares beneficially owned, or controlled or directed, directly or indirectly by all directors and executive officers of the Corporation as a group are 8,300,000 Shares, or 22.61% of the total current issued and outstanding Shares of the Corporation.

The following is a brief description of the background of the key management, directors and the promoter of the Corporation. Except as specified below for Ronald Handford, no other directors are employees or independent contractors of the Corporation.

Ronald Handford, Chief Executive Officer and Director

Mr. Handford is a Director of the Corporation and provides his services to the Corporation on a part time basis. He has served the Corporation as Chief Executive Officer since September 1, 2016 and Director since July 24, 2017, and is responsible for setting corporate strategic goals and supervising and managing the affairs of the Corporation. He will devote approximately 50% of his time to the affairs of the Corporation. The Corporation has agreed to pay \$5,000 per month plus GST to Handford Management Inc., a private company controlled by Mr. Handford, for management consulting services (see “Executive Compensation” and “Use of Proceeds”).

Mr. Handford is a Professional Engineer and is President of Handford Management Inc., a private management services company. He is currently the Vice President, Communications for GMV Minerals Inc. since September 2016 and was formerly the Executive Vice President, Corporate Development for Yellowhead Mining Inc. Mr. Handford also holds a Masters of Business Administration degree from University of Western Ontario (1979). He has 20 years of international experience as a mining and technology entrepreneur, executive, and advisor, plus 15 years as an international mining project finance and corporate banker, including Barclays Bank and the International Finance Corporation; and 6 years as an engineer/project manager related to mining and resource projects.

Mr. Handford has entered into a non-competition or non-disclosure agreement with the Corporation (as part of his company's consulting agreement), and is 65 years of age. The Corporation has agreed to indemnify Mr. Handford for acting as an executive officer of the Corporation, where permitted under the *Business Corporations Act* (British Columbia).

John Campbell, Chairman, President, Chief Financial Officer, Secretary and Director

Mr. Campbell has been the Chairman, President, Secretary and a Director of the Corporation since July 7, 2016 and Chief Financial Officer since July 1, 2017, and he provides his services to the Corporation on a part time basis. He is also the Chairman of the Board and will oversee management. He will devote approximately 20% of his time to the affairs of the Corporation.

Mr. Campbell is a Chartered Professional Accountant, CA, and is currently Co-Founder, Chairman and Chief Financial Officer of Tri View Capital Corp., an exempt market dealer.

Mr. Campbell has not entered into a non-competition or non-disclosure agreement with the Corporation and is 63 years of age.

Grant Block, Director

Mr. Block has been a Director of the Corporation since July 24, 2017, and provides his services to the Corporation on a part-time basis. He is primarily responsible for the Corporation's corporate administration and finance, and will devote approximately 5% of his time to the affairs of the Corporation.

Mr. Block is a Chartered Professional Accountant, CA, and he is the Managing Partner of Davidson & Co., an independent firm of Chartered Professional Accountants in Vancouver, British Columbia.

Mr. Block has not entered into a non-competition or non-disclosure agreement with the Corporation and is 59 years of age.

Ian Klassen, Director

Mr. Klassen has been a Director of the Corporation since July 24, 2017, and provides his services to the Corporation on a part time basis. He will devote approximately 20% of his time to the affairs of the Corporation.

Mr. Klassen holds a Bachelor of Arts from the University of Western Ontario, London, Ontario. Mr. Klassen has twenty-five years of experience in business management, public relations, government affairs and entrepreneurialism. He has extensive experience in corporate finance, the administration of public companies, government policy, media relationship strategies, business/ government project management, and legislative decision-making. Mr. Klassen is a recipient of the Commemorative Medal for the 125th Anniversary of the Confederation of Canada in recognition of his significant contribution to his community and country.

Mr. Klassen has not entered into a non-competition or non-disclosure agreement with the Corporation and is 51 years of age.

Andriyko Herchak, Director

Mr. Herchak has been a Director of the Corporation since July 24, 2017. He is the President & CEO of FinCanna Capital Corp., a royalty investment company for licensed medical cannabis, since April 2017; and previously was the Chief Financial Officer of the Corporation from February 2017 to March 2017; Chief Financial Officer of Jewel Holdings Ltd., a pipeline fabrication and coatings business, from June 2015 to April 2017; and Chief Financial Officer of NexGen Energy Ltd., a publicly listed uranium

development company, from May 2013 to November 2014. He will devote approximately 10% of his time to the affairs of the Corporation.

Mr. Herchak is a Chartered Professional Accountant, CA. He also holds a Bachelor of Commerce degree from the University of British Columbia (1993). Mr. Herchak has not entered into a non-competition or non-disclosure agreement with the Corporation and is 46 years of age.

Brian Malahoff, *Director*

Mr. Malahoff has been a Director of the Corporation since July 24, 2017. He has been a self-employed professional geologist since April 1992. He will devote approximately 10% of his time to the affairs of the Corporation.

Mr. Malahoff has not entered into a non-competition or non-disclosure agreement with the Corporation and is 58 years of age.

Cease Trade Orders

Except as disclosed below, no director or executive officer of the Corporation (or any personal holding corporation of such persons) is, or was within the ten (10) years prior to the date hereof, a director, chief executive officer or chief financial officer of any company, including the Corporation, that:

- (i) was subject to an order (as defined below) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer, or chief financial officer; or
- (ii) was subject to an order (as defined below) 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 the above disclosure, “order” means:

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation;

that was in effect for a period of more than thirty (30) consecutive days.

Bankruptcies

Except as disclosed below, no director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to materially affect control of the Corporation (or any personal holding corporation of such persons):

- (a) is at the date hereof, or has been within the last ten (10) years, a director or 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 that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the last ten (10) years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver

manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

No director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to materially affect control of the Corporation (or any personal holding corporation of such persons), has been subject to:

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

Conflicts of Interest

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

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

The directors and officers of the Corporation will not be devoting all of their time to the affairs of the Corporation. The directors and officers of the Corporation are directors and officers of other companies, some of which are in the same business as the Corporation. In particular, Messrs. Block, Herchak and Malahoff will be devoting 10% of their time to the affairs of the Corporation. The directors and officers of the Corporation are required by law to act in the best interests of the Corporation. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Corporation may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Corporation to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligations to act in the best interests of the Corporation. Such conflicting legal obligations may expose the Corporation to liability to others and impair its ability to achieve its business objectives.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

National Instrument 52-110 ("**NI 52-110**"), NI 41-101 and Form 52-110F2 require the Corporation, as an IPO venture issuer, to disclose certain information relating to the Corporation's audit committee and its relationship with the Corporation's independent auditors.

Audit Committee Charter

1. Mandate

The purpose of the Audit Committee is to assist the board of directors (the "**Board**") in fulfilling its oversight responsibilities. The Audit Committee will review and consider in consultation with the auditors financial reporting process, the system of internal control and the audit process. In performing its duties, the

audit committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each audit committee member must obtain an understanding of the principal responsibilities of the audit committee membership as well as the Corporation's business, operations and risks.

2. Composition

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

2.1 *Independence:* A majority of the Audit Committee must not be officers, employee or control persons of the Corporation.

2.2 *Expertise of Committee Members:* Each member of the Audit Committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Committee. At least one member of the Audit Committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

3. Meetings

The Audit Committee shall meet in accordance with a schedule established each year by the Board, and at other times that the Audit Committee may determine. The Audit Committee shall meet at least annually with the Corporation's Chief Financial Officer and external auditors in separate executive sessions.

4. Role and Responsibilities

The Audit Committee shall fulfil the following roles and discharge the following responsibilities:

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

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of in preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services and external auditors' assertion of their independence in accordance with professional standards.

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

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Corporation; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

- 4.3 *Financial Reporting:* The Audit Committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the Audit Committee shall:

General

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

- (a) review the draft annual financial statements and provide a recommendations to the Board with respect to the approval of the financial statements;
- (b) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (c) review management's discussion and analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

- (a) review and approve the interim financial statements prior to their release to the public; and
- (b) review management's discussion and analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

- (a) where reasonably possible, review and approve all public disclosure, including news releases containing financial information, prior to its release to the public.

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

Delegation of Authority

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

De-Minimis Non-Audit Services

- (b) The Audit Committee may satisfy the requirement for the pre-approval of non-audit services if:
 - i. The aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
 - ii. The services are brought to the attention of the Audit Committee and approved, prior to the completion of the audit, by the Audit Committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

- (c) The Audit Committee may also satisfy the requirement for the pre-approval of non-audit services, if:
 - i. the pre-approval policies and procedures are detailed as to the particular service;
 - ii. the Audit Committee is informed of each non-audit services; and
 - iii. the procedures do not include delegation of the Audit Committee's responsibilities to management.

4.5 *Other Responsibilities:* The Audit Committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls, or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update the Charter and receive approval of changes to the Charter from the Board.

4.6 *Reporting Responsibilities:* The Audit Committee shall regularly update the Board about Audit Committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The Audit Committee shall have the resources and the authority to discharge its responsibilities, including the authority to:

- (a) engage independent counsel and other advisors as it deems necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Audit Committee; and
- (c) communicate directly with the internal and external auditors.

6. Guidance – Roles & Responsibilities

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 *Internal Control:*

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

6.2 *Financial Reporting*

General

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- (c) understand industry best practices and the Corporation's adoption of them.

Annual Financial Statements

- (a) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Corporation reports or trades its shares;
- (b) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (c) focus on judgmental areas such as those involving valuation of assets and liabilities, including , for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (d) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (e) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

- (a) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (b) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (c) to gain insight into the fairness of the interim financial statements and disclosures, obtain explanations from management on whether:
 - i. actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
 - ii. changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the Corporation's operations and financing practices;
 - iii. generally accepted accounting principles have been consistently applied;
 - iv. there are any actual or proposed changes in accounting or financial reporting practices;
 - v. there are any significant or unusual events or transactions;
 - vi. the Corporation's financial and operating controls are functioning effectively;
 - vii. the Corporation has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
 - viii. the interim financial statements contain adequate and appropriate disclosures.

6.3 *Compliance with Laws and Regulations*

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";

- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

6.4 *Other Responsibilities*

- (a) review, with the Corporation's counsel, any legal matters that could have a significant impact on the Corporation's financial statements.

Composition of Audit Committee

The members of the Corporation's Audit Committee are:

John Campbell	Not Independent ⁽¹⁾	Financially literate ⁽²⁾
Grant Block	Independent ⁽¹⁾	Financially literate ⁽²⁾
Andriyko Herchak	Independent ⁽¹⁾	Financially literate ⁽²⁾

- ⁽¹⁾ A member of an audit committee is independent if the member has no direct or indirect material relationship with the Corporation, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Mr. Campbell is not independent, as he is the Chairman, President, Chief Financial Officer, and Secretary of the Corporation.
- ⁽²⁾ An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

Relevant Education and Experience

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

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

See "*Directors and Officers*" for further details.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees

The fees billed by the Corporation's external auditors for the last two fiscal years for audit and non-audit related services provided to the Corporation or its subsidiaries (if any) are as follows:

Financial Year End	Audit Fees	Audit Related Fees ⁽¹⁾	Tax Fees ⁽²⁾	All other Fees ⁽³⁾
2017	\$11,500	\$4,500	\$1,500	Nil
2016	\$8,000	Nil	Nil	Nil

(1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.

(2) Fees charged for tax compliance, tax advice and tax planning services.

(3) Fees for services other than disclosed in any other column.

Exemption

The Corporation 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

General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") prescribes certain disclosure by the Corporation of its corporate governance practices. This disclosure is presented below.

Board of Directors

The Board facilitates its exercise of independent supervision over the Corporation's management through frequent meetings of the Board.

The Board is comprised of six (6) directors, of whom each of Grant Block, Ian Klassen, Andriyko Herchak and Brian Malahoff are independent for the purposes of NI 58-101. John Campbell and Ronald Handford are members of the Corporation's management and are not independent, as Mr. Campbell serves as the Chairman, President, Chief Financial Officer and Secretary, and Mr. Handford serves as Chief Executive Officer of the Corporation.

Directorships

Certain directors are presently a director or one or more other reporting Issuers. The following table sets out the current involvement of the directors with other reporting issuers:

Director	Other Reporting Issuers
Ronald Handford	GMV Minerals Inc.
John Campbell	Enterprise Group, Inc.
Ian Klassen	GMV Minerals Inc. Grande Portage Resources Ltd. Canabo Medical Inc. exeBlock Technology Corp.
Grant Block	Identillect Technologies Corp.
Andriyko Herchak	FinaCanna Capital Corp.

Orientation and Continuing Education

New Board members receive an orientation package which includes reports on operations and results, and any public disclosure filings by the Corporation, as may be applicable. Board meetings are sometimes held at the Corporation's offices and, from time to time, are combined with presentations by the Corporation's management to give the directors additional insight into the Corporation's business. In addition, management of the Corporation makes itself available for discussion with all Board members.

Ethical Business Conduct

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

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Corporation, this policy will be reviewed.

Compensation

The Board is responsible for determining compensation for the directors of the Corporation to ensure it reflects the responsibilities and risks of being a director of a public company.

Other Board Committees

The Board has no other committees, other than the Audit Committee.

Assessments

Due to the minimal size of the Corporation's Board, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

EXECUTIVE COMPENSATION

For purposes of this Prospectus, "named executive officer" of the Corporation means an individual who, at any time during the year, was:

- (a) the Corporation's chief executive officer ("**CEO**");
- (b) the Corporation's chief financial officer ("**CFO**");
- (c) each of the Corporation's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation will be, individually, more than \$150,000 for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year;

(each a "**Named Executive Officer**" or "**NEO**").

Based on the foregoing definition, during the last fiscal year of the Corporation ending October 31, 2017, there were two (2) Named Executive Officers, namely, its CEO, Ronald Handford, and its Chairman, President, CFO and Secretary, John Campbell. Andriyko Herchak was briefly appointed the Chief Financial Officer of the Corporation (from February 2017 to March 2017) subsequent to the last fiscal year end.

Compensation Discussion and Analysis

In assessing the compensation of its executive officers, the Corporation does not have in place any formal objectives, criteria or analysis; instead, it relies mainly on Board discussion.

The Corporation's executive compensation program has three principal components: base salary, incentive bonus plan and stock options.

Base salaries for all employees of the Corporation will be established for each position through comparative salary surveys of similar type and size companies. Both individual and corporate performances will be taken into account.

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performances for executive officers and employees. No bonuses have been paid to executive officers and employees, and none are contemplated.

The Corporation has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Corporation at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Option-Based Awards

Stock options are granted to provide an incentive to the directors, officers, employees and consultants of the Corporation to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and

to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation. The Corporation awards stock options to its executive officers, based upon the Board's review of a proposal from the Chief Executive Officer. Previous grants of incentive stock options are taken into account when considering new grants. Implementation of a new incentive stock option plan and amendments to the existing stock option plan are the responsibility of the Corporation's Board.

Summary Compensation Table

The following table discloses compensation paid to or awarded to the Corporation's Named Executive Officers, since its incorporation to its most recent fiscal year end:

NAME AND PRINCIPAL POSITION	FISCAL YEAR ENDED	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			
RONALD HANDFORD, CEO	2017	Nil	Nil	74,268 ⁽²⁾	Nil	Nil	Nil	66,000 ⁽¹⁾	\$140,268
	2016	Nil	5,000 ⁽³⁾	Nil ⁽²⁾	Nil	Nil	Nil	7,844 ⁽¹⁾	\$12,844
JOHN CAMPBELL, Chairman, President, CFO & Secretary	2017	Nil	Nil	51,896 ⁽²⁾	Nil	Nil	Nil	Nil ⁽¹⁾	\$51,896
	2016	Nil	5,000 ⁽³⁾	Nil ⁽²⁾	Nil	Nil	Nil	Nil	\$5,000

⁽¹⁾ Consulting fees paid to a private company controlled by Ronald Handford, Handford Management Inc., for management services. Since the last fiscal year end, Mr. Handford's company has been paid \$66,000 for management services.

⁽²⁾ See "Options to Purchase Securities" above, for details of stock options granted and vested.

⁽³⁾ 200,000 common shares issued at a deemed price of \$5,000 for financial consulting services provided to the Corporation by each of Mr. Handford and Mr. Campbell.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the options granted to the Named Executive Officers to purchase or acquire securities of the Corporation outstanding at the end of the most recent financial year:

NAME	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#)	OPTION EXERCISE PRICE (\$)	OPTION EXPIRATION DATE	VALUE OF UNEXERCISED IN-THE- MONEY OPTIONS ⁽¹⁾ (\$)
RONALD HANDFORD, CEO	150,000	\$0.15	Sept. 1, 2021	Nil
	350,000 ⁽²⁾	\$0.15	Five years from the Listing Date	Nil
JOHN CAMPBELL, Chairman, President, CFO & Secretary	400,000 ⁽²⁾	\$0.15	Five years from the Listing Date	Nil

⁽¹⁾ As at the October 31, 2017 fiscal year end, the Shares were not listed or posted for trading on any recognized stock exchange.

⁽²⁾ Of which 100,000 Shares were exercised subsequent to the last fiscal year end at \$0.075 per Share. See "Options to Purchase Securities" above, for details of stock options granted subsequent to October 31, 2016.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to NEOs during the most recently completed financial year ended October 31, 2017:

Name	Option-based awards – Value vested during the year⁽¹⁾⁽²⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year⁽¹⁾⁽²⁾ (\$)
Ronald Handford, CEO and Director	74,268	Nil	Nil

1. The aggregate dollar value that would have been realized if the options granted during the year had been exercised on the vesting date. As at the last October 31, 2017 fiscal year end, the Shares were not listed or posted for trading on any recognized stock exchange.
2. See “Options to Purchase Securities” for details of options granted subsequent to the financial year end.

Management Contracts and Termination and Change of Control Benefits

Other than the management services agreement with Handford Management Inc., a private company controlled by Ronald Handford, which initially provided for the payment of \$3,000 per month plus GST (and increased to \$5,000 per month plus GST in October 2016) for management services, there are no other management or consulting agreements with any directors or officers of the Corporation, and no arrangements for termination or change of control benefits. The consulting agreement with Handford Management Inc. may be terminated by the Corporation upon 30 days’ notice to Handford Management Inc.

Director Compensation

Director Compensation Table

The following table sets forth the value of all compensation provided to directors, not including those directors who are also Named Executive Officers, for the Corporation’s most recently completed financial year:

NAME	FEES EARNED	OPTION-BASED AWARDS⁽²⁾ (\$)	ALL OTHER COMPENSATION (\$)	TOTAL (\$)
GRANT BLOCK	Nil	32,435	Nil	32,435
ANDRIYKO HERCHAK	Nil ⁽¹⁾	32,435	Nil	32,435
IAN KLASSEN	Nil	32,435	Nil	32,435
BRIAN MALAHOFF	Nil	32,435	Nil	32,435

- (1) Mr. Herchak was paid \$10,000 to a company controlled by Mr. Herchak for his services as Chief Financial Officer of the Corporation from February to March 2017, inclusive.

- (2) See “Options to Purchase Securities” above, for details of stock options granted.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the options granted to the directors of the Corporation, not including those directors who are also Named Executive Officers, to purchase or acquire securities of the Corporation outstanding at the end of the most recently completed financial year.

NAME	OPTION-BASED AWARDS - NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS⁽¹⁾ (#)	OPTION EXERCISE PRICE (\$)	OPTION EXPIRATION DATE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS⁽¹⁾ (\$)
GRANT BLOCK	250,000	\$0.15	Five years from the Listing Date	Nil
ANDRIYKO HERCHAK	250,000	\$0.15	Five years from the Listing Date	Nil
IAN KLASSEN	250,000	\$0.15	Five years from the Listing Date	Nil

NAME	OPTION-BASED AWARDS - NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS ⁽¹⁾ (#)	OPTION EXERCISE PRICE (\$)	OPTION EXPIRATION DATE	VALUE OF UNEXERCISED IN- THE-MONEY OPTIONS ⁽¹⁾ (\$)
BRIAN MALAHOFF	250,000	\$0.15	Five years from the Listing Date	Nil

⁽¹⁾ As at the October 31, 2017 fiscal year end, the Shares were not listed or posted for trading on any recognized stock exchange.

Incentive Plan Awards – Value Vested or Earned During the Year

No stock options were vested or earned during the most recently completed financial year as none had been granted to directors who are non-NEOs. See “*Options to Purchase Securities*” for details of options granted subsequent to the financial year end.

Indebtedness of Directors and Executive Officers

No existing or proposed director, executive officer or senior officer of the Corporation or any associate of any of them, was indebted to the Corporation as at December 31, 2017, or is currently indebted to the Corporation.

PLAN OF DISTRIBUTION

Units

The Offering consists of up to 20,000,000 Units to raise maximum gross proceeds of \$3,000,000 (or a minimum of 6,666,667 Units to raise \$1,000,000). Each Unit consist of one Share and one-half (½) of a Warrant, having the special rights and restrictions, or terms and conditions, respectively, as more particularly described under the heading “*Description of Securities Offered*” above.

Pursuant to the Agency Agreement, the Corporation engaged the Agent as its exclusive agent for the purposes of the Offering, and the Corporation, through the Agent, hereby offers for sale to the public under this Prospectus, on a commercially reasonable efforts basis, the Units to be issued and sold under the Offering, subject to prior sale if, as and when issued. The price and terms of the Offering were established through negotiation between the Corporation and the Agent. The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Units offered pursuant to the Offering in the Provinces of British Columbia, Alberta, and Ontario. This Prospectus qualifies the distribution of the Units (consisting of the Shares and Warrants) to the Subscribers in those jurisdictions.

The Agent reserves the right, at no additional cost to the Corporation, to offer selling group participation in the normal course of the brokerage business to selling groups of other licensed dealers, brokers, and investment dealers who may or may not be offered part of the commission or Agent’s Warrants derived from this Offering. The Agent is not obligated to purchase Units in connection with this Offering. The obligations of the Agent under this Offering may be terminated at any time in the Agent’s discretion on the basis of its assessment of the state of the financial markets and may also be terminated upon the occurrence of certain other stated events.

The Corporation has agreed to pay the Agent a cash commission equal to 8.0% of the offering price of each Unit sold under the Offering and a Corporate Finance Fee comprised of \$30,000, plus GST. The Corporation has advanced \$15,000 to the Agent for expenses of the Offering.

In addition, the Agent is entitled to receive upon successful completion of the Offering, as part of its remuneration, Agent’s Warrants entitling the holder thereof to purchase that number of Shares equal to 8.0% of the number of Units sold pursuant to this Offering. The Agent’s Warrants will be exercisable at a

price of \$0.15 per Share for a period of twenty-four (24) months from the Closing Date, and will be non-transferable. This Prospectus qualifies the distribution of the Agent's Warrants to the Agent.

Closing of this Offering is conditional upon the minimum Offering of at least 6,666,667 Units being sold within 90 days of the issuance of the final receipt for this Prospectus. Subscriptions will be received for the Units offered hereby subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time. Upon rejection of a subscription, or in the event that the Offering does not complete within the time required, the subscription price and the subscription will be returned to the Subscriber forthwith without interest or deduction. All subscription funds will be held in trust by the Agent pending receipt of sufficient subscriptions to meet the minimum Offering and the completion of the Offering.

In the event that subscriptions and subscription funds for 6,666,667 Units are not raised within 90 days of the issuance of a receipt for this Prospectus or, if an amendment to this Prospectus has been filed and a receipt has been issued for such amendment, within 90 days of the issuance of a receipt for an amendment to the Prospectus and, in any event, not later than 180 days after the issuance of a receipt for the final Prospectus, all subscription monies will be returned to investors without interest or deduction.

It is expected that the Shares and the Warrants will be issued as non-certificated book-entry securities through CDS Clearing and Depository Services Inc. ("CDS") or its nominee. Consequently, purchasers of the Shares and the Warrants will receive a customer confirmation from the registered dealer that is a CDS participant from or through which the Shares and the Warrants were purchased and no certificate evidencing the Shares or Warrants will be issued. Registration will be made through the depository services of CDS.

The Corporation has applied to list the Shares distributed under this Prospectus on the Exchange. Listing will be subject to the Corporation fulfilling all the listing requirements of the Exchange.

The Agency Agreement provides that, upon the occurrence of certain events or at the discretion of the Agent on the basis of its assessment of the state of financial markets, the Agent may terminate the Offering and the obligations of Subscribers to purchase the Units will then cease. The Agent may also terminate the Agency Agreement if a final receipt for the prospectus is not issued within 120 days from the date of the Agency Agreement.

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

RISK FACTORS

The securities offered hereunder must be considered highly speculative due to the nature of the Corporation's business. **These securities are suitable only for those purchasers who are willing to rely upon the ability, judgment and integrity of the management and directors of the Corporation and who can afford a total loss of their investment.** Prospective investors should carefully consider the information presented in this Prospectus before purchasing the Units offered under this Prospectus, which include the following:

Earn-In Agreement

The Corporation does not own the Mon Gold Property, and only has a right to earn an interest therein pursuant to an option agreement. The Corporation must expend a total of \$6.0 million on the Mon Gold Property in order to acquire an 80 interest in the project, subject to a 20% carried interest and a 2.0% net smelter returns royalty. The Corporation has limited financial resources, and there is no assurance that

additional funding will be available to it for further operations or to fulfill its obligations under the applicable agreements. If the Corporation is unsuccessful in raising further funds, it may not earn any interest in the Mon Gold Property.

Limited Operating History

The Corporation has no history of earnings. There are no known commercial quantities of mineral reserves on the Mon Gold Property. The purpose of this Offering is to raise funds to carry out exploration and development on the Mon Gold Property with the objective of establishing economic viability of the deposit. The likelihood of success of the Corporation must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. There is no assurance that the Corporation can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its business plans for mining operations.

Negative Cash Flow

The Corporation has reported negative cash flow from operations in its most recently completed financial year. The net proceeds of the Offering will be used to fund the Corporation's business activities and negative operating cash flow. There is no assurance that the Corporation can generate sufficient revenues to fund its operations, and in result, the Corporation must rely on equity financing to fund its ongoing operations. See also "*Financing Risks*" below.

Title Risks

Although the Corporation has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Corporation's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. Surveys have not been carried out on any of the Corporation's mineral properties, therefore, in accordance with the laws of the jurisdiction in which such properties are situated, their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Corporation can give no assurance as to the validity of title of the Corporation to those lands or the size of such mineral lands.

Williams Decision

First Nations 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 2014 decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared First Nations' title to lands outside of reserve land. The Property may now or in the future be the subject of aboriginal or indigenous land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Corporation's potential ownership interest in the Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Corporation's activities. Even in the absence of such recognition, the Corporation may at some point be required to negotiate with and seek the approval of holders of aboriginal interests in order to facilitate exploration and development work on the Property. There is no assurance that the Corporation will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop the Property.

Land Withdrawal Order

The Mon Gold Property is within the area covered by a land withdrawal order dated effective April 1, 2014 issued by the government of the Northwest Territories for a limited area within one mile of the shoreline of Graham Lake and within one mile of the shoreline of Greentree Lake and Upper Carp Lake,

and the streams and water joining these lakes (the “**Order**”). Pursuant to the Order, a licensee for water power development within this area does not have to give notice of or provide compensation to the holder of mineral claims granted on or after April 1, 2014 for any alleged loss or damage caused by the water power development. All of the mineral claims and mining leases pre-date April 1, 2014, so the Corporation believes that the Mon Gold Property as presently constituted is grandfathered and exempt from the operation of the Order. However, any additional mineral claims which may be located by the Corporation in the future within the area covered by the Order would be subject to the Order, and therefore if such water power development were to occur, any exploration and development on such new mineral claims could be subject to loss or damage caused by such water power development, without notice or compensation from the licenced developer.

Exploration and Development Risks

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

All of the mineral property interests to which the Corporation has a right to acquire an interest are in the exploration stages only and are without a known body of commercial ore. Development of the Mon Gold Property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

There is no assurance that the Corporation’s mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Corporation’s operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

Unusual or unexpected geological formations, unstable ground conditions that could result in cave-ins or landslides, floods, power outages or fuel shortages, labour disruptions, fires, explosions, and the inability to obtain suitable or adequate machinery, equipment or labour are risks associated with the conduct of exploration programs and the operation of mines. The Corporation has no experience in the development and operation of mines and in the construction of facilities required to bring mines into production. The Corporation will rely upon consultants and the Optionor for expertise with respect to the construction and operation of a mining facility.

Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

The grade of any ore ultimately mined from a mineral deposit may differ from that predicted from drilling results. Production volumes and costs can be affected by such factors as the proximity and capacity of processing facilities, permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Short-term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on the results of operations. Moreover, there can be no assurance that any minerals recovered in small scale laboratory tests will be achieved under

production scale conditions. Although precautions to minimize risks will be taken, processing operations are subject to hazards such as equipment failure or failure of tailings impoundment facilities, which may result in environmental pollution and consequent liability.

There is no assurance that the Exchange will approve the acquisitions of any additional properties by the Corporation, whether by way of option or otherwise.

Production Risks without Feasibility Study

In the event that the Mon Gold Property is placed into production, the Corporation will not base its production decision on a feasibility study or mineral reserves demonstrating economic and technical viability, and as a result there is increased uncertainty and there are multiple technical and economic risks of failure, which are associated with such a production decision. These risks, among others, include areas that would be analyzed in more detail in a feasibility study, such as applying economic analysis to resources and reserves, more detailed metallurgy, and a number of specialized studies in areas such as mining and recovery methods, market analysis, and environmental and community impacts.

Uninsurable Risks

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

Environmental Regulations, Permits and Licenses

The Corporation's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Corporation intends to fully comply with all environmental regulations.

The current or future operations of the Corporation, including development activities and commencement of production on its properties, require permits from various, federal, provincial or territorial and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Such operations and exploration activities are also subject to substantial regulation under these laws by governmental agencies and may require that the Corporation obtain permits from various governmental agencies. There can be no assurance, however, that all permits which the Corporation may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or such laws and regulations would not have an adverse effect on any mining project which the Corporation might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures,

installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Corporation and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. However, no assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

No Commercial Ore

There is no known mineral resource on the Mon Gold Property and there is no assurance that the Corporation's mineral exploration and development activities will result in any discoveries of commercial ore.

Surface Rights

Under the Mining Regulations where the Mon Gold Property is located, the two (2) mineral claims comprising a portion of the Mon Gold Property do not confer any surface rights to the holder of the mineral claims, and persons prospecting or entering on for mining purposes or mining lands owned or lawfully occupied by another person, must make full compensation to the owner or occupant of the lands for any loss or damage so caused, which compensation, in the case of a dispute, shall be determined by the Northwest Territories Surface Rights Board in accordance with the *Northwest Territories Surface Rights Board Act* (Canada). The Ministry of Aboriginal Affairs and Northern Development for the Northwest Territories may on application, grant to the holder of a mineral claim in good standing, located on vacant territorial lands, a lease of the whole or any portion of the available surface rights of a mineral claim at a rental of \$2.50 per hectare, payable yearly in advance for the term of the mining lease. However, the Corporation's option to acquire the Mon Gold Property includes surface rights over a majority of the property, through the eleven (11) mining leases currently comprising the Mon Gold Property.

Competition

The mining industry is intensely competitive in all its phases, and the Corporation competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Corporation's ability to acquire suitable properties or prospects in the future.

Management

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

Key Person Insurance

The Corporation does not maintain key person insurance on any of its directors or officers, and in result the Corporation would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by the Corporation from such loss of any director or officer.

Fluctuating Mineral Prices

Factors beyond the control of the Corporation may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. The effect of these factors cannot be predicted.

Resale of Shares

The continued operation of the Corporation will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Corporation is unable to generate such revenues or obtain such additional financing, any investment in the Corporation may be lost. In such event, the probability of resale of the Shares purchased would be diminished.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Shares will be subject to market trends generally, notwithstanding any potential success of the Corporation in creating revenues, cash flows or earnings. The value of Shares distributed hereunder will be affected by such volatility.

Before this Offering, there has been no public market for the Corporation's Shares. An active public market for the Shares might not develop or be sustained after this Offering. The offering price of the Shares has been determined by negotiations between the Corporation and representatives of the Agent and this price will not necessarily reflect the prevailing market price of the Shares following this Offering. If an active public market for the Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the initial public offering price.

Conflicts of Interest

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Corporation. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Business Corporations Act* (British Columbia).

Some of the directors and officers of the Corporation are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to the Corporation and their duties to the other companies on whose boards they serve, the directors and officers of the Corporation have agreed to the following:

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

Financing Risks

The Corporation has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Corporation will be profitable. The Corporation has paid no dividends on its Shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Corporation is through the sale of its equity securities. Even if the results of exploration and development are encouraging, the Corporation may not have sufficient funds to conduct the further exploration and development that may be necessary to determine whether or not a commercially mineable deposit exists on the Mon Gold Property, or to place the Mon Gold Property into production. While the Corporation may generate additional working capital through further equity offerings or through the sale or possible syndication of its properties, there is no assurance that any such funds will be available on terms acceptable to the Corporation, or at all. If available, future equity financing may result in substantial dilution to purchasers under the Offering. At present, it is estimated that up to an additional \$4.0 million will be required, and it is possible that this amount may increase since mining costs may increase over time.

Currency Risks

Currency fluctuations may affect the cash flow which the Corporation may realize from its operations, since most mineral commodities are sold in a world market in U.S. dollars. The Corporation's costs are incurred primarily in Canadian dollars.

Influence of Third Party Stakeholders

The lands in which the Corporation holds an interest, or the exploration equipment and road or other means of access which the Corporation intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the Corporation's work programs may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity for the Corporation.

Substantial Number of Authorized but Unissued Shares

The Corporation has an unlimited number of Shares which may be issued by the Board without further action or approval of the Corporation's shareholders. While the Board is required to fulfil 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 Corporation's shareholders.

Dilution

The financial risk of the Corporation's future activities will be borne to a significant degree by purchasers of the securities being offered, who, on completion of the maximum Offering, will incur immediate and substantial dilution in the net tangible book value per Share of \$0.062 or 41.33% of the offering price, assuming no exercise of the Warrants, Agent's Warrants or any other outstanding warrants or incentive stock options. If the Corporation issues treasury shares for financing purposes, control of the Corporation may change or be affected and purchasers may suffer additional dilution.

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.

Stress in the Global Economy

Reduction in credit, combined with reduced economic activity, and fluctuations in the United States dollar, may adversely affect businesses and industries that purchase commodities, affecting commodity prices in more significant and unpredictable ways than the normal risks traditionally associated with commodity prices. The availability of services such as drilling contractors and geological service companies, and/or the terms on which these services are provided, may be adversely affected by global

economic impacts on such service providers. Adverse effects on the capital markets generally may make the raising of capital by equity or debt financing much more difficult, and the Corporation is dependent upon the capital markets to raise further financing. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Corporation's business, operating results, and financial condition.

Dividends

The Corporation does not anticipate paying any dividends on its Shares in the foreseeable future.

PROMOTERS

John Campbell and Ronald Handford, directors and executive officers of the Corporation, are considered to be the promoters of the Corporation in that they took the initiative in organizing the Corporation. John Campbell holds, directly, 4,600,000 Shares representing 12.53%, while Ronald Handford holds, directly, 500,000 Shares representing 1.36% of the Corporation's currently issued Shares. See "*Principal Shareholders*" for further details.

The named promoters of the Corporation have provided and will continue to provide management and administrative services to the Corporation for monthly fees, as more particularly outlined under the headings "*Management's Discussion and Analysis*" and "*Interest of Management and Others in Material Transactions*", set out in this Prospectus.

LEGAL PROCEEDINGS

The Corporation is not a party to any legal proceedings and is not aware of any such proceedings known to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed below, the directors, senior officers and principal shareholders of the Corporation or any associate or affiliate of the foregoing have had no material interest, direct or indirect, in any transactions in which the Corporation has participated within the three year period prior to the date of this Prospectus, or will have any material interest in any proposed transaction, which has materially affected or will materially affect the Corporation. Handford Management Inc., a company controlled by Ronald Handford, the Chief Executive Officer and a director of the Corporation, is currently being paid management consulting fees of \$5,000 per month.

RELATIONSHIP BETWEEN THE CORPORATION AND AGENT

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

AUDITORS

The auditors of the Corporation are Manning Elliott LLP, of 11th Floor, 1050 West Pender Street, Vancouver, British Columbia, Canada, V6E 3S7.

REGISTRAR AND TRANSFER AGENT

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

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Corporation within two years prior to the date hereof which are currently in effect and considered to be currently material:

1. Agency Agreement between the Corporation and Mackie Research Capital Corp. dated for reference January 19, 2018, referred to under “*Plan of Distribution*”.
2. Warrant Indenture to be entered into on the Closing Date between the Corporation and TSX Trust Company for the Warrants to be issued under this Prospectus, referred to under “*Description of Securities Distributed – Warrants*”.
3. Warrant Indenture dated October 28, 2016 between the Corporation and TSX Trust Company for 5,350,000 previously issued share purchase warrants, as amended by Warrant Supplement dated June 28, 2017, referred to under “*Prior Sales*”.
4. Stock Option Agreement dated effective September 1, 2016, between the Corporation and Ronald Handford for up to 150,000 Shares at \$0.15 per Share until September 1, 2021, referred to under “*Options to Purchase Securities*”.
5. Stock Option Agreements dated effective September 22, 2017 between the Corporation and certain officers, directors and employees of the Corporation for the purchase of up to 1,870,000 Shares at \$0.15 per Share, referred to under “*Options to Purchase Securities*”.
6. Stock Option Plan dated July 27, 2017, referred to under “*Options to Purchase Securities*”.
7. Escrow Agreement dated September 22, 2017, between TSX Trust Company, the Corporation and the Principals of the Corporation referred to under “*Escrowed Shares*”.
8. The Restated Mineral Property Earn-in Agreement dated effective as of September 2, 2016 between the Corporation and New Discovery Mines Ltd., described under the heading “*Narrative Description of the Business*”.
9. The Restated Net Smelter Returns Royalty Agreement dated effective as of February 20, 2014 between Giauque Holdings Ltd. and New Discovery Mines Ltd., as acknowledged by the Corporation, providing for a 2.0% net smelter returns royalty to Giauque Holdings Ltd. and annual minimum advance royalties of US\$20,000, described under the heading “*Narrative Description of the Business*”.
10. Management Services Agreement dated September 1, 2016 between the Corporation and Handford Management Inc., a private consulting company controlled by Ronald Handford, the Chief Executive Officer of the Corporation, referred to under “*Executive Compensation – Management Contracts and Termination and Change of Control Benefits*” and “*Interest of Management and Others in Material Transactions*”.

A copy of any material contract and the geological and geochemical report may be inspected during distribution of the Units being offered under this Prospectus and for a period of 30 days thereafter during normal business hours at the Corporation’s offices at Suite 280 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, Canada.

EXPERTS

Certain legal matters related to this Offering will be passed upon on behalf of the Corporation by Salley Bowes Harwardt Law Corporation. The technical information on the Property contained herein was prepared by David DuPre, P. Geo., and Kevin Fitzpatrick, P. Eng., who are independent from the Corporation within the meaning of NI 43-101 *Standards of Disclosure for Mineral Projects*.

There is no beneficial interest, direct or indirect, in any securities of the Corporation’s issued capital or property of the Corporation or of an associate or affiliate of the Corporation, held by any expert or

designated professional person thereof, as referred to in sections 16.1 and 16.2 of Form 51-102F2. No such person is or is expected to be elected, appointed or employed as a director or employee of the Corporation.

Manning Elliott LLP, Chartered Professional Accountants, are the auditors of the Corporation. Manning Elliott LLP has informed the Corporation that it is independent of the Corporation within the meaning of the rules of professional conduct of the Chartered Professional Accountants of British Columbia (CPABC).

Investors should consult their own tax advisors for advice with respect to the income tax consequences associated with their acquisition of the Units under this Prospectus.

RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT

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

OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein.

PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

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

In an offering of convertible, exchangeable or exercisable securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the convertible, exchangeable or exercisable securities is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

FINANCIAL STATEMENTS

Attached to and forming a part of this Prospectus are the audited financial statements of the Corporation for the fiscal period from the date of incorporation to October 31, 2016 and the audited financial statements of the Corporation for the fiscal year ended October 31, 2017.

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

Financial Statements

For the Year Ended October 31, 2017 and
the Period from Incorporation of July 7, 2016 to October 31, 2016

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

ANNUAL FINANCIAL STATEMENTS

**FOR THE YEAR ENDED OCTOBER 31, 2017 AND
THE PERIOD FROM INCORPORATION ON JULY 7, 2016 TO OCTOBER 31, 2016**

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INDEPENDENT AUDITORS' REPORT

To the Directors of
Sixty North Gold Mining Ltd.

We have audited the accompanying financial statements of Sixty North Gold Mining Ltd. which comprise the statements of financial position as at October 31, 2017 and 2016, and the statements of comprehensive loss, changes in equity and cash flows for the year ended October 31, 2017 and for the period from incorporation on July 7, 2016 to October 31, 2016, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Sixty North Gold Mining Ltd. as at October 31, 2017 and 2016, and its financial performance and its cash flows for the year ended October 31, 2017 and for the period from incorporation on July 7, 2016 to October 31, 2016 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Sixty North Gold Mining Ltd. to continue as a going concern.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
December 12, 2017

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

Statements of Financial Position

(Expressed in Canadian Dollars)

	October 31, 2017	October 31, 2016
Assets		
Current Assets		
Cash and cash equivalents (Note 5)	\$ 539,550	\$ 1,137,374
GST receivable	19,570	13,429
Prepaid expenses	38,379	18,822
Total Current Assets	597,499	1,169,625
Exploration and evaluation assets (Note 6)	1,271,632	521,410
Reclamation deposit (Note 8)	88,000	88,000
Total Assets	\$ 1,957,131	\$ 1,779,035
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 135,889	\$ 95,905
Total Current Liabilities	135,889	95,905
Equity		
Share capital (Note 9)	2,068,823	1,627,419
Shares subscriptions	-	10,000
Equity reserves	535,493	208,401
Deficit	(783,074)	(162,690)
Total Equity	1,821,242	1,683,130
Total Liabilities and Equity	\$ 1,957,131	\$ 1,779,035

Nature and Continuance of Operations (Note 1)

Commitments (Note 12)

Subsequent Events (Note 14)

See the accompanying notes to the financial statements

On behalf of the Board:

“John Campbell”
Director

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

Statements of Comprehensive Loss

(Expressed in Canadian Dollars)

	For the Year Ended October 31, 2017	Period of Incorporation on July 7, 2016 to October 31, 2016
Expenses		
Accounting and audit fees	\$ 27,600	\$ 10,600
Consulting fees	10,000	-
Corporate Development	25,964	-
General and administration	3,106	947
Investor relations	37,696	7,333
Insurance	8,581	1,178
Management fees (Note 11)	66,000	7,844
Meals and entertainment	2,147	53
Professional fees (Note 9b)	143,333	14,140
Share-based payments (Notes 9d and 11)	271,477	120,000
Transfer agent	24,480	595
Net loss and comprehensive loss for the Period	\$ 620,384	\$ 162,690
Loss per share, basic and diluted	(0.02)	(0.01)
Weighted average common shares outstanding, basic and diluted	34,570,639	12,460,690

See the accompanying notes to the financial statements

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

Statements of Changes in Equity

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Shares Subscribed	Equity Reserves	Deficit	Total
Balance at July 7, 2016	-	\$ -	\$ -	\$ -	-	\$ -
Shares Issued on Incorporation	1	-	-	-	-	1
Shares issued for owner (Note 9)	6,000,000	30,000	-	120,000	-	150,000
Shares returned to treasury (Note 9)	(2,400,001)	-	-	-	-	-
Shares issued for cash (Note 9)	27,420,000	1,840,500	10,000	-	-	1,850,500
Shares issued for finder's fees (Note 9 and Note 11)	400,000	10,000	-	-	-	10,000
Share issuance costs	-	(253,081)	-	88,401	-	(164,680)
Net loss for the period	-	-	-	-	(162,690)	(162,690)
Balance at October 31, 2016	31,420,000	\$ 1,627,419	\$ 10,000	\$208,401	\$ (162,690)	\$ 1,683,130
Shares Issued for cash (Note 9(b))	4,783,333	500,000	(10,000)	-	-	490,000
Shares issued for option exercise (Note 9(b))	100,000	7,500	-	-	-	7,500
Shares issued for services (Note 9(b))	400,000	40,000	-	-	-	40,000
Share issuance costs	-	(106,096)	-	55,615	-	(50,481)
Share-based payments	-	-	-	271,477	-	271,477
Net loss for the year	-	-	-	-	(620,384)	(620,384)
Balance at October 31, 2017	36,703,333	\$ 2,068,823	\$ -	\$535,493	\$ (783,074)	\$ 1,821,242

See the accompanying notes to the financial statements

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

Statements of Cash Flows

(Expressed in Canadian Dollars)

	October 31, 2017	Period from Incorporation on July 7, 2016 to October 31, 2016
Cash Flows from Operating Activities		
Net loss for the Period	\$ (620,384)	\$ (162,690)
Non-cash items:		
Shares issued for professional fees	40,000	-
Share-based payments	271,477	120,000
	(308,907)	(42,690)
Changes in non-cash working capital items:		
GST receivable	(6,141)	(13,429)
Prepaid expenses	(19,557)	(18,822)
Accounts payable and accrued liabilities	39,984	95,905
Net Cash Flows (used in) Provided by Operating Activities	(294,621)	
Cash Flows from Investing Activities		
Exploration and evaluation expenditures	(897,678)	(273,147)
Exploration advance	147,456	(248,263)
Reclamation bond	-	(88,000)
Net Cash Flows Used in Investing Activities	(750,222)	
Cash Flows from Financing Activities		
Issuance of common shares	497,500	1,870,500
Share subscriptions	-	10,000
Share issuance costs	(50,481)	(154,680)
Net Cash Flows from Financing Activities	447,019	
Change in Cash and Cash Equivalents During the Year	(597,824)	1,137,374
Cash and Cash Equivalents, Beginning of Year	1,137,374	-
Cash and Cash Equivalents, End of Year	\$ 539,550	\$ 1,137,374
Supplemental Cash Disclosure:		
Income taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ -
Non-cash transactions in investing and financing activities:		
Shares issued for finder's fee	\$ -	\$ 10,000
Shares issued for professional fees	\$ 40,000	\$ -
Agent warrants for share issuance costs	\$ 55,615	\$ -

See the accompanying notes to the financial statements

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

Notes to the Financial Statements

For the Year Ended October 31, 2017 and for the Period from

Incorporation on July 7, 2016 to October 31, 2016

(Expressed in Canadian Dollars)

1. Nature and Continuance of Operations

Sixty North Gold Mining Ltd. (the "Company") is a privately owned company and was incorporated on July 7, 2016 in British Columbia under the laws of the Canada Business Corporations Act. On February 20, 2017, the Company changed its name from 1082138 B.C. Ltd. to Sixty North Gold Mining Ltd. The Company's registered office is located at 1500 - 1055 West Georgia Street, Vancouver, BC V6E 4N7.

The Company's principal business activities include the acquisition and exploration of mineral property assets. The Company entered into an agreement with New Discovery Mines ("NDM") on July 8, 2016 and finalized the arrangement on September 2, 2016. On June 14, 2017, the Company and NDM entered into a restated mineral property earn-in agreement effective September 1, 2016 (See Note 6 - Exploration and Evaluation Properties). The Company has advanced funds towards the earn-in, and intends to complete an initial public offering ("IPO") and to list on the Canadian Securities Exchange so that exploration can be funded to further advance the property to the development and production phase.

Recovery of the carrying value of the Company's investment in the Mon Property is dependant upon the existence of economically recoverable reserves, to obtain the necessary funding to complete exploration and development, and the attainment of future profitable production.

The financial statements of the Company have been prepared on a going-concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business. If the going-concern assumptions were not appropriate for these financial statements, then adjustments may be necessary to the carrying value of assets and liabilities, the reported expenses and the classifications used on the statement of financial position.

As at October 31, 2017, the Company had cash and cash equivalents in the amount of \$539,550 (October 31, 2016 - \$1,137,374). The Company has raised funds through private equity issuances to fund the project and expects to continue to raise additional funds through the issuance of shares, or other sources of financing. On October 23, 2017, the Company filed a preliminary prospectus for an IPO whereby the Company plans to issue a minimum of 6,666,667 units up to a maximum of 20,000,000 units at a price of \$0.15 per unit. Each unit will consist of one common share and one half purchase warrant. Each whole warrant will entitle the holder to purchase one common share at a price of \$0.25 per share for a period of 24 months from the closing of the IPO (See Note 12 (c)).

The Company will require further funding to continue as a going concern. There is no assurance that the Company will be able to obtain sufficient funding to continue exploration and development on the Mon Property.

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

Notes to the Financial Statements

For the Year Ended October 31, 2017 and for the Period from

Incorporation on July 7, 2016 to October 31, 2016

(Expressed in Canadian Dollars)

2. Statement of Compliance and Basis of Presentation

(a) Statement of Compliance

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

These financial statements were authorized for issue in accordance with a resolution from the Board of Directors on December 12, 2017.

(b) Basis of Presentation

The financial statements have been prepared on a historical cost basis and have been prepared using the accrual basis of accounting, except for cash flow information. The functional and presentation currency of the Company is the Canadian dollar.

3. Significant Accounting Policies

Accounting Estimates and Assumptions

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

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

Exploration and Evaluation Assets

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely,

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

Notes to the Financial Statements

For the Year Ended October 31, 2017 and for the Period from

Incorporation on July 7, 2016 to October 31, 2016

(Expressed in Canadian Dollars)

3. Significant Accounting Policies (continued)

Accounting Estimates and Assumptions (continued)

the amount capitalized is written off in profit or loss in the period the new information becomes available.

Site Closure and Reclamation Provisions

The Company assesses its reclamation provision at each reporting date or when new material information becomes available. Exploration, development, and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated. The Company's exploration work to date has resulted in no significant site disturbance and therefore the Company's reclamation provision is limited to the amount posted as a reclamation bond.

Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation and remediation. The provision represents management's best estimate of the present value of the future reclamation and remediation obligation. The actual future expenditures may differ from the amounts currently provided.

Title to Mineral Properties

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Share-Based Payments

Management uses valuation techniques in measuring the fair value of share options granted. The fair value is determined using the Black Scholes option pricing model which requires management to make certain estimates, judgements, and assumptions in relation to the expected life of the share options, expected volatility, expected risk-free rate, and expected forfeiture rate. Changes to these assumptions for any share options granted could have a material impact on the Company's consolidated financial statements.

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

Notes to the Financial Statements

For the Year Ended October 31, 2017 and for the Period from

Incorporation on July 7, 2016 to October 31, 2016

(Expressed in Canadian Dollars)

3. Significant Accounting Policies (continued)

Accounting Estimates and Assumptions (continued)

Deferred Income Taxes

Judgement is required to determine which types of arrangements are considered to be a tax on income in contrast to an operating cost. Judgement is also required in determining whether deferred tax liabilities are recognized in the consolidated statement of financial position. Deferred tax assets, including those potentially arising from un-utilized tax losses, require management to assess the likelihood that the Company will generate sufficient taxable income in future periods, in order to recognize deferred tax assets. Assumptions about the generation of future taxable income depend on management's estimates of future operations and cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, commodity prices, reserves, operating costs, closure and rehabilitation costs, capital expenditure, and other capital management transactions) and judgement about the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize deferred tax assets or offset these against any deferred tax liabilities recorded at the reporting date could be impacted.

Exploration and Evaluation Assets

Upon acquiring the legal right to explore an exploration and evaluation asset, costs related to the acquisition, exploration and evaluation are capitalized as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit and loss. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets are written down to their estimated recoverable amount. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and evaluation, and future profitable production or proceeds from the disposition thereof.

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

Notes to the Financial Statements

For the Year Ended October 31, 2017 and for the Period from

Incorporation on July 7, 2016 to October 31, 2016

(Expressed in Canadian Dollars)

3. Significant Accounting Policies (continued)

Impairment

All financial assets except those measured at fair value through profit or loss are reviewed for impairment at the financial reporting date. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Financial Instruments

Financial assets and financial liabilities are recognized on the consolidated statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument. The Company does not have any derivative financial instruments.

Financial Assets

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

Fair value through profit or loss ("FVTPL") - This category comprises derivatives, or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statements of financial position at fair value which changes in fair value recognized in the consolidated statement of operations. The Company has classified its cash and cash equivalents as FVTPL.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. The Company has no assets classified as loans and receivables.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest rate method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of operations. The Company did not hold any held-to-maturity investments at October 31, 2017.

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3. Significant Accounting Policies (continued)

Financial Instruments (continued)

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale ("AFS"). They are carried at fair value with changes in fair value recognized in equity. Upon de-recognition, accumulated gain or loss is realized and reclassified from accumulated other comprehensive income to profit and loss. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the statement of operations. The Company did not hold any AFS assets as at October 31, 2017.

Transaction costs associated with fair value through profit or loss financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

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

Effective interest method - The effective interest method calculates the amortized cost of a financial asset and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

De-recognition of financial assets - A financial asset is derecognized when the contractual right to the asset's cash flows expires, or if the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

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3. Significant Accounting Policies (continued)

Financial Instruments (continued)

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss - This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of operations. The Company did not hold any fair value through profit or loss financial liabilities as at October 31, 2017.

Other financial liabilities - This category includes amounts due to related parties, trade payables, and loans from related parties, all of which are initially recognized at fair value and carried at amortized cost.

De-recognition of financial liabilities - The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or they expire.

Share purchase warrants - The Company bi-furcates units consisting of common shares and share purchase warrants using the residual value approach, whereby it measures the common share component of the unit at fair value using market prices as input values and the allocates the residual value of the units over the fair value of the common shares to the warrant component. The value of the warrant component is credited to equity reserve. When warrants are exercised, the corresponding value is transferred from equity reserve to common stock.

Provision for Environmental Reclamation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. The cost of any rehabilitation program is recognized at the time that the environmental disturbance occurs. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset along with a corresponding liability, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect risks specific to the asset are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight line method. The corresponding liability is adjusted each period for the unwinding of the discount rate, changes to the current market-based discount rate, and for the amount or timing of the underlying cash flows needed to settle the obligation. The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

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3. Significant Accounting Policies (continued)

Income taxes

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

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

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

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

Loss per share

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

4. New Accounting Standards

(a) New Standards and Amendments Effective for the First Time

The Company has adopted the new and revised standards and interpretations issued by the IASB effective November 1, 2016. The adoption of the standard and amendment did not have a material impact on the financial statements of the Company.

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(b) New Accounting Standards Issued but not yet Effective

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

New Accounting Standards Effective for Annual Periods on or After January 1, 2017

IFRS 7 - Statements of Cash Flows

In January 2016, the IASB issued an amendment to IAS 7 which requires additional disclosures for changes in liabilities arising from financial activities. This includes changes arising from cash flows such as drawdowns and repayments or borrowings and non-cash changes such as acquisitions, disposals and unrealized exchange differences. The amendment is effective for fiscal years beginning on or after January 1, 2017 and is applied on a prospective basis.

New Accounting Standards Effective for Annual Periods on or After January 1, 2018

IFRS 2 - Share-based Payments

In June 2016, the IASB issued the final amendments to IFRS 2 that clarify the classification and measurement of share-based payment transactions. This includes the effect of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, share-based transactions with a net settlement feature for withholding tax obligations, and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments are to be applied prospectively and are effective for annual periods beginning on or after January 1, 2018 with earlier application permitted. The Company is currently assessing the impact of this standard.

IFRS 9 - Financial Instruments

In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 Financial Instruments, that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013 the standard was revised to add the new general hedge accounting requirements. The standard was finalized in July 2014 and was revised to add a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income (FVOCI) category for certain

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4. (b) New Accounting Standards Issued but not yet Effective

debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics test.

IFRS 15 - Revenue from Contracts with Customers

In May 2014, the IASB issued this standard which supersedes IAS 11 - Construction Contracts, IAS 18 - Revenue, IFRIC 13 - Customer Loyalty Programs, IFRIC 15 - Agreements for the Construction of Real Estate, IFRIC 18 - Transfers of Assets from Customers, and SIC 31 - Revenue - Barter Transactions involving Advertising Services, IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

New Accounting Standards Effective for Annual Periods on or After January 1, 2019

IFRS 16 - Leases

In June 2016, the IASB issued this standard which establishes principles for recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17.

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

5. Cash

Cash and cash equivalents include cash and short-term deposits with original maturities of three months or less, readily convertible into a known amount of cash. Short-term deposits are valued at amortized cost. The carrying amounts approximate the fair value due to the short-term maturities of these instruments. Cash held in trust is comprised of private placement funds held in trust by the Company's legal firm. Cash included in the Statements of Financial Position are comprised of the following amounts:

	October 31, 2017	October 31, 2016
Bank Balances	\$ 539,550	\$ 354,824
Cash Held in Trust	-	782,550
	\$ 539,550	\$ 1,137,374

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6. Exploration and Evaluation Assets

The Mon Property

On July 8, 2016, the Company signed a letter of intent with New Discovery Mines Ltd. ("NDM") and the entered into an option agreement ("Agreement") on September 2, 2016. The Property is comprised of two NDM claims and eleven Mon Property leases and is located in the mining district of the Northwest Territories. On June 14, 2017, the Company and NDM entered into a restated mineral property earn-in agreement effective as of September 2, 2016 with the following terms and conditions:

To earn the 80% interest in the Property, the Company is required to incur \$6,000,000 in expenditures on the Property as follows:

- (a) To incur \$2,000,000 expenditures (the "Initial Expenditures") on the Property on or before December 31, 2017; and
- (b) To incur cumulative expenditures of \$6,000,000 on the Property (inclusive of the Initial Expenditures) on or before December 31, 2020; and
- (c) To assume all of the obligations of the underlying agreements, relating to the royalty and any advance royalty payments (see Note 12 - Commitments)

The Company may elect to extend the deadline for completion of the initial expenditure from December 31, 2017 to December 31, 2018 by delivering notice in writing and payment of \$20,000. The Company may elect to terminate the agreement at any time during the earn-in period, upon sixty days notice to NDM.

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6. Exploration and Evaluation Assets (continued)

The Company has funded and incurred the following expenditures on the Property:

The Mon Gold Property	October 31, 2016	Additions/ Adjustments	October 31, 2017
Acquisition Costs:			
Legal costs relating to earn-in	\$ 16,614	\$ -	\$ 16,614
Advance royalty payment	-	26,270	26,270
	16,614	26,270	42,884
Exploration Costs:			
Assaying, prospecting and shipping	789	25,796	26,585
Camp costs	31,643	41,472	73,115
Drilling	76,102	41,350	117,452
Exploration advance (Note 7)	248,263	(147,456)	100,807
Flights	69,440	47,334	116,774
Fuel	6,961	(332)	6,629
Management and supervision	24,265	33,194	57,459
Mining equipment	-	642,532	642,532
Mobilization/Demobilization	6,900	6,375	13,275
Reports	31,500	2,370	33,870
Safety/Medic	5,299	9,108	14,407
Storage and transport (equipment)	-	13,641	13,641
Travel and accommodation	3,634	8,568	12,202
	504,796	723,952	1,228,748
Total Acquisition and Exploration Costs	\$ 521,410	\$ 750,222	\$ 1,271,632

7. Advances to Project

As at October 31, 2017, the Company has an exploration advance of \$100,807 to NDM on the Mon Property.

8. Reclamation Deposit

As at October 31, 2017, a security deposit of \$88,000 was paid to the Department of Lands on behalf of the Government of the Northwest Territories, as required under the land use permit on the Mon Property.

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9. Share Capital

(a) Authorized Shares

The Company is authorized to issue an unlimited number of common shares with no par value per share.

(b) Issued and outstanding

As of October 31, 2017, 36,703,333 (October 31, 2016 - 31,420,000) shares were issued and outstanding.

During the year ended October 31, 2017, the Company had the following transactions:

On December 1, 2016, 400,000 shares previously subscribed for at \$0.25 per share were issued.

On December 1, 2016, the Company completed a private placement of 1,800,000 units at \$0.10 for gross proceeds of \$180,000. Each unit is comprised of one common share and one half warrant. Each full warrant is exercisable for one common share at a price of \$0.25 until September 30, 2019 (extended from the initial expiry date of December 1, 2018). The Company paid a cash commission of \$12,600 and issued 180,000 broker warrants. Each broker warrant is exercisable to purchase a common share of the Company for \$0.10 per share until September 30, 2019 (extended from the initial expiry date of December 1, 2018). This expiry date is accelerated to 30 days if the Company's trading price is greater than \$0.50 for 10 consecutive trading days. The fair value of the broker warrants was estimated at \$10,880 using the Black-Scholes pricing model with the following assumptions:

Risk free interest rate	0.84%
Expected life	2.83 years
Expected volatility	100%
Expected dividend	Nil

Pursuant to an agreement dated December 1, 2016 between the Company and Mackie Research Capital Corporation ("Mackie"), the Company issued 400,000 common shares with a fair market value of \$40,000 for making introductions to certain individuals to serve as officers or directors of the Company. The amount of \$40,000 was recorded as professional fees for the year ended October 31, 2017 on the Statements of Comprehensive Loss.

On June 28, 2017 and August 31, 2017, the Company completed a private placement of a total of 2,583,333 units at \$0.12 for gross proceeds of \$310,000. Each unit is comprised of one common share and one half warrant. Each full warrant is exercisable for one common share at a price of \$0.25 until September 30, 2019. The Company paid a cash commission of \$19,200 and issued 200,000 brokers' warrants. Each broker warrant is exercisable to purchase a common share at a price of \$0.25 until September 30, 2019. The expiry date is accelerated to 30 days if the Company's trading

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9. Share Capital *(continued)*

price is greater than \$0.50 for 10 consecutive trading days. The fair value of the broker warrants was estimated at \$11,859 using the Black-Scholes pricing model with the following assumptions:

Risk free interest rate	0.73%
Expected life	2.26 years
Expected volatility	120%
Expected dividend	Nil

In connection with the private placements noted above, the Company also incurred \$18,681 in other share issuance costs associated with the private placements.

During the period ended October 31, 2016, the Company had the following transactions:

On July 28, 2016, the Company issued 6,000,000 common shares at \$0.005 per share to the founder of the Company. The fair value of the 6,000,000 common shares was estimated to be \$150,000. Accordingly, the Company recorded share-based payments of \$120,000 and a corresponding increase to equity reserves. On September 9, 2016, 2,400,000 of these shares were gifted back to treasury.

On August 31, 2016, the Company completed a private placement of 6,400,000 common shares issued at \$0.025 per share. The Company issued 400,000 common shares at \$0.025 per share for finder's fees to the officers of the Company.

On September 9, 2016, the Company completed a private placement of 5,620,000 common shares issued at \$0.025 per share.

On September 20, 2016, the Company completed a private placement of 6,500,000 units at \$0.10 per unit. Each unit comprised of one common share and one half warrant. Each full warrant entitles the holder to purchase a common share of the Company at \$0.25 until September 20, 2018 (expiry date was subsequently extended to September 30, 2019, see Note 9 (c)). In connection with the private placement, the Company paid a cash commission of \$45,500 and issued 650,000 broker warrants. Each broker warrant is exercisable to purchase a common share of the Company for \$0.10 per share until September 20, 2018 (expiry date was subsequently extended to September 30, 2019, see Note 9(c)). The fair value of the broker warrants was estimated at \$39,266 using the Black-Scholes Option Pricing model with the following assumptions:

Risk free interest rate	0.56%
Expected life	2 years
Expected volatility	120%
Expected dividend	Nil

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9. Share Capital (continued)

On October 28, 2016, the Company completed a private placement of 8,900,000 units at \$0.10 per unit. Each unit is comprised of one common share and one half warrant. Each full warrant entitles the holder to purchase a common share of the Company at \$0.25 until October 28, 2018 (expiry date was subsequently extended to September 30, 2019, see Note 9(c)). In connection with this private placement, the Company paid a cash commission of \$56,450 and issued 808,500 broker warrants. Each broker warrant is exercisable to purchase a common share of the Company at a price of \$0.10 until October 28, 2018 were issued at a price of \$0.10, exercisable for 808,500 common shares until October 28, 2018 (expiry date was subsequently extended to September 30, 2019, see Note 9(c)). The fair value of the broker warrants was estimated at \$49,135 using the Black-Scholes Option Pricing model with the following assumptions:

Risk free interest rate	0.60%
Expected life	2 years
Expected volatility	120%
Expected dividend	Nil

(c) Warrants

On June 20, 2017, the Company extended the expiry date to September 30, 2019 for all warrants that were previously issued between September 20, 2016 and December 1, 2016. As a result of this modification, the Company recorded the incremental fair value of \$32,876 as share issuance costs for the year ended October 31, 2017 for the 1,638,500 broker warrants using the Black-Scholes Option Pricing model using the following assumptions:

Risk free interest rate	0.73%
Expected life	2.28 years
Expected volatility	120%
Expected dividend	Nil

During the year ended October 31, 2017, the Company had issued the following warrants:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Life
Balance, October 31, 2016	9,158,500	\$0.23	1.92
Issued for private placements	2,191,666	\$0.25	1.92
Issued for brokers' warrants	380,000	\$0.18	1.92
Balance, October 31, 2017	11,730,166	\$0.23	1.92

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9. Share Capital (continued)

As of October 31, 2017, the outstanding warrants are as follows:

Number of Warrants	Exercise Price	Expiry Date
3,250,000	\$0.25	September 30, 2019
650,000	\$0.10	September 30, 2019
4,450,000	\$0.25	September 30, 2019
808,500	\$0.10	September 30, 2019
900,000	\$0.25	September 30, 2019
180,000	\$0.10	September 30, 2019
1,291,666	\$0.25	September 30, 2019
200,000	\$0.25	September 30, 2019
11,730,166		

(d) Options

Pursuant to an agreement dated on September 1, 2016, the Company granted 250,000 stock options to the CEO of the Company. Each option is exercisable at a price of \$0.075 per share for five years with vesting terms of 150,000 options vested on the grant date and the remaining 100,000 options will vest within 10 days of the Board of Directors resolution to proceed with the Initial Public Offering. The weighted average fair value of the options was \$0.12 each and estimated using the Black-Scholes pricing model with the following assumptions:

Weighted risk free interest rate	1.03%
Weighted expected life	5 years
Weighted expected volatility	130%
Weighted expected dividend	Nil
Forfeiture rate	Nil

During the year, the Company recorded a share-based payment of \$28,859 on the statements of comprehensive loss.

On September 25, 2017, 100,000 of these options were exercised at \$0.075 for proceeds of \$7,500.

On September 22, 2017 pursuant to a resolution of the Board of Directors, the Company granted 1,870,000 stock options to certain directors, officers and consultants of the Company. Each option is exercisable at a price of \$0.15 per share and vested on the grant date. The options are exercisable up to five years from the date the Company's shares are listed on a recognized Canadian stock exchange ("Listing date"). The weighted average fair value of the options was \$0.15 each and estimated using the Black-Scholes pricing model with the following assumptions:

Weighted risk free interest rate	1.5%
Weighted expected life	5 years
Weighted expected volatility	130%
Weighted expected dividend	Nil
Forfeiture rate	Nil

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9. Share Capital *(continued)*

During the year ended October 31, 2017, the Company recorded a share-based payment of \$242,618 (October 31, 2016 - \$Nil) on the statements of comprehensive loss.

During the year ended October 31, 2017, the Company had issued the following options:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Life
Balance, October 31, 2016	250,000	\$ 0.12	3.84
Options granted	1,870,000	\$ 0.15	5.00
Options exercised	(100,000)	\$ 0.075	-
Balance, October 31, 2017	2,020,000	\$ 0.15	5.00

As of October 31, 2017, the outstanding options are as follows:

Number of Options	Exercise Price	Expiry Date
150,000	\$0.15	September 1, 2021
1,870,000	\$0.15	5 years from the Listing date
2,020,000		

10. Income Tax

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

	October 31, 2017	October 31, 2016
Loss before income taxes	\$ (620,384)	\$ (162,690)
Statutory tax rate	27%	26%
Expected income tax recovery at the statutory tax rate	(167,504)	(42,299)
Non taxable or deductible items for tax purposes	44,943	(11,617)
Change in tax rate	(2,074)	-
Change in valuation allowance	124,635	53,916
Income tax expense	\$ -	\$ -

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10. Income Tax (continued)

The Company has the following deductible temporary differences for which no deferred tax asset has been recognized:

	October 31, 2017	October 31, 2016
Non-capital loss carry-forwards	\$ 128,956	\$ 19,663
Share Issue costs	49,595	34,253
	178,551	53,916
Less: Unrecognized deferred tax assets	(178,551)	(53,916)
	\$ -	\$ -

11. Related Party Transactions

Key management includes directors and officers of the Company. During the year ended October 31, 2017, management fees of \$66,000 (October 31, 2016: \$7,844) were paid to a corporation controlled by the Company's Chief Executive Officer ("CEO") and consulting fees of \$10,000 (October 31, 2016: Nil) were paid to a corporation controlled by the Company's former Chief Financial Officer.

On July 7, 2016, the Company issued 6,000,000 common shares for gross proceeds of \$30,000 to a shareholder of the Company. On September 9, 2016, the owner returned 2,400,000 common shares to treasury as a deed of gift to the Company.

On August 31, 2016, 400,000 common shares were issued to the Company's CEO and a director of the Company as a finder's fee for raising private equity. These shares were valued at \$0.025 per share for a total value of \$10,000.

On September 22, 2017, the Company granted 1,750,000 options with fair values of \$227,049 to the directors and officers of the Company (See Note 9(d)). In addition, the Company also recorded a share-based payment of \$28,859 for options granted to the CEO.

12. Commitments

- (a) Pursuant to an agreement (Note 6 - Exploration and Evaluation Assets) between the Company and NDM, the Company is required to make annual payments of US\$20,000 for the advanced NSR to Giauque commencing on January 30, 2017. The first payment was made by the Company on January 16, 2017. The advance payments can be credited towards the royalty payments after commencement of commercial production with 20% of the aggregate payments received from the advanced NSR deductible from the royalty payments, commencing in the first completed calendar year of commercial production.

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12. Commitments (continued)

- (b) On September 1, 2016, the Company entered into a management agreement with the CEO of the Company whereby the Company will pay a monthly management fee of \$5,000 for one year, renewed annually unless notice is given according to termination provisions.
- (c) On August 16, 2017 the Company signed an agency agreement with Mackie Research Capital Corporation ("Mackie") whereby Mackie will act as an agent in connection with the initial IPO undertaking by the Company. The Company will pay a non-refundable work fee of \$30,000 on the closing of the IPO, 8% in cash commission and issue 8% compensation options of all the units sold in the IPO. Each option entitles Mackie to purchase one common share of the Company at the issue price per unit under the IPO for a period of 24 months from the closing date of the IPO. Whether or not the offering is completed, Mackie's expenses, not to exceed \$10,000 and the designated legal counsel's fees and expenses not to exceed \$50,000 shall be borne by the Company. At October 31, 2017, the Company paid a \$15,000 retainer for legal fees.

13. Financial instruments and Risks

Financial instruments consist primarily of cash and cash equivalents and accounts payable. The fair values of cash and cash equivalents and accounts payable approximate their respective carrying values because of their immediate or short-term nature.

The Company's financial instruments are exposed to certain financial risks, including credit risk and liquidity risk.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and cash equivalents, and accounts receivable. The carrying amount of the financial assets represents the maximum credit exposure. The Company limits its exposure to credit risk on cash and cash equivalents by placing these financial instruments with reputable and major financial institutions.

(b) Liquidity risk

Liquidity risk is associated with the inability to meet obligations as they become due and is minimized by maintaining sufficient cash and deposit balances to cover operating and exploration costs over a reasonable future period.

SIXTY NORTH GOLD MINING LTD.

(Formerly 1082138 B.C. Ltd.)

Notes to the Financial Statements

For the Year Ended October 31, 2017 and for the Period from

Incorporation on July 7, 2016 to October 31, 2016

(Expressed in Canadian Dollars)

13. Financial instruments and Risks (continued)

The Company measures certain financial instruments and other items at fair value. To determine the fair value, the Company uses the fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use to value an asset or liability and are developed based on market data obtained from independent sources. Unobservable inputs are inputs based on assumptions about the factors market participants would use to value an asset or liability. The three levels of inputs that may be used to measure fair value are as follows:

Level 1 – Observable inputs such as quoted prices in active markets

Level 2 – Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3 – Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurements. Changes in the observability of valuation inputs may result in a reclassification of levels for certain securities within the fair value hierarchy.

14. Subsequent Events

- (a) Subsequent to the year ended October 31, 2017, the Company has made the annual royalty payment of US\$20,000 to Giauque (see Note 12).
- (b) The Company has authorized NDM to contract out the 2018 ice road construction for the winter road to the Mon Property. On November 3, 2017, upon signing, \$34,000 has been paid by NDM to the contractor, which represents 10% of the total contract. This amount will be offset against the Company's advance to NDM. The deposit is refundable in the event that the permits are not granted and the work does not proceed.

CERTIFICATE OF SIXTY NORTH GOLD MINING LTD.

Dated: January 19, 2018

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

“Ronald Handford”

Ronald Handford
Chief Executive Officer

“John Campbell”

John Campbell
Chairman, President, Chief Financial Officer,
and Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

“Grant Block”

Grant Block
Director

“Ian Klassen”

Ian Klassen
Director

PROMOTERS

“John Campbell”

John Campbell
Promoter

“Ronald Handford”

Ronald Handford
Promoter

CERTIFICATE OF THE AGENT

Dated: January 19, 2018

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, Alberta and Ontario.

MACKIE RESEARCH CAPITAL CORP.

“Jovan Stupar”

Jovan Stupar, Managing Director