

A copy of this preliminary prospectus has been filed with the securities regulator authorities in the provinces of Québec, Ontario and British Columbia but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authorities.

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons authorized to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the “**U.S. Securities Act**”) and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state laws or an exemption from such registration is available. See “Plan of Distribution” below.*

PRELIMINARY PROSPECTUS

INITIAL PUBLIC OFFERING

January 4, 2018

M.P.V. EXPLORATIONS INC.

| OFFERING | | |
|---------------------------|-----------------------------|---------------------------|
| <u>Type of Securities</u> | <u>Number of Securities</u> | <u>Price per Security</u> |
| Units | 5,000,000 | \$0.20 |

This prospectus (the “**Prospectus**”) qualifies for distribution (the “**Offering**”) by M.P.V. Explorations Inc. (the “**Corporation**”) in the provinces of Québec, Ontario and British Columbia of between 1,750,000 and 5,000,000 units (the “**Units**”). Each Unit consists of one common share (each, a “**Common Share**”, and collectively, the “**Common Shares**”) of the Corporation and one common share purchase warrant (each, a “**Series A Warrant**”, and collectively, the “**Offered Securities**”) of the Corporation (together, the Common Shares and the Series A Warrants are the “**Offered Securities**”) at a price of \$0.20 (the “**Offering Price**”) per Unit to raise aggregate gross proceeds of between \$350,000 (the “**Minimum Offering**”) and \$1,000,000 (the “**Maximum Offering**”). Each Series A Warrant entitles the holder thereof to acquire one Common Share at a price of \$0.30 at any time for a period of 24 months following the Closing Day. The Offering Price and terms of the Units offered pursuant to this Offering have been determined by negotiation between the Corporation and Leede Jones Gable Inc. (the “**Agent**”).

The Units are being offered pursuant to an agency agreement (the “**Agency Agreement**”) dated January ■, 2018 between the Corporation and the Agent.

| | Price to the Public | Agent’s Commission ⁽¹⁾ | Net Proceeds ⁽²⁾⁽³⁾ |
|-------------------------|---------------------|-----------------------------------|--------------------------------|
| Per Unit | \$0.20 | \$0.02 | \$0.18 |
| Minimum Offering | \$350,000 | \$35,000 | \$315,000 |
| Maximum Offering | \$1,000,000 | \$100,000 | \$900,000 |

Notes:

- (1) Pursuant to the terms and conditions of the Agency Agreement, the Corporation has agreed to pay the Agent upon closing of the Offering (the “**Closing**”) a cash commission equal to 10% of the gross proceeds of the Offering (the “**Agent’s Fee**”). In addition, the Corporation has agreed to pay the Agent a corporate finance fee (the “**Corporate Finance Fee**”) of \$15,000, payable in cash (of which, \$5,000 has already been paid). In addition, the Agent will also receive options (the “**Agent’s Options**”) to

purchase that number of Units equal to 10% of the number of Units sold hereunder at a price of \$0.20 per Unit for a period of two years from the Closing of this Offering. This Prospectus also qualifies for distribution the grant of the Agent's Options and all securities issuable upon the exercise thereof. The Corporation has also agreed to pay the Agent's expenses in connection with the Offering, including legal fees and disbursements and the Agent's reasonable out-of-pocket expenses for which the Corporation has paid a \$10,000 retainer (the "**Agent's Expenses**"). See "Plan of Distribution".

- (2) The Agent has also been granted an option exercisable for a period of 30 days after the Closing to purchase up to an additional number of Units equal to 20% of the number of Units sold on the Closing Date, at the Offering Price per Unit, to cover over-allotments, if any (the "**Over-Allotment Option**"). If the Over-Allotment Option is exercised in full, the Price to the Public, Agent's Commission and Net Proceeds will be \$1,200,000, \$120,000 and \$1,080,000, respectively. The grant of the Over-Allotment Option and the distribution of all securities issuable upon the exercise thereof are qualified by this Prospectus.
- (3) Before deducting the balance of the expenses of the Corporation and the Agent's Expenses relating to the Offering estimated at \$115,000, which will be paid from the proceeds of the Offering. See "Use of Proceeds".

THE OFFERING HEREUNDER IS SUBJECT TO A MINIMUM SUBSCRIPTION OF 1,750,000 UNITS (\$350,000) AND A MAXIMUM SUBSCRIPTION OF 5,000,000 UNITS (\$1,000,000). PROVIDED THAT THE MINIMUM OFFERING IS SUBSCRIBED FOR, IT IS EXPECTED THAT THE CLOSING OF THE OFFERING WILL TAKE PLACE ON OR ABOUT FEBRUARY ■, 2018 OR ON SUCH OTHER DATE AS THE CORPORATION AND THE AGENT MAY AGREE (THE "**CLOSING DATE**"). IN THE EVENT SUCH SUBSCRIPTIONS ARE NOT ATTAINED WITHIN 90 DAYS OF THE ISSUANCE OF THE FINAL RECEIPT FOR THIS PROSPECTUS OR, IF A RECEIPT IS ISSUED FOR AN AMENDMENT TO THIS PROSPECTUS, WITHIN 90 DAYS OF THE ISSUANCE OF SUCH RECEIPT AND, IN ANY EVENT, NOT LATER THAN 180 DAYS FROM THE DATE OF THE RECEIPT FOR THE FINAL PROSPECTUS, ALL FUNDS RAISED HEREUNDER WILL BE RETAINED BY THE AGENT AND REFUNDED TO INVESTORS WITHOUT INTEREST OR DEDUCTION.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. The securities offered hereunder must be considered highly speculative due to the nature of the Corporation's business. See "Risk Factors" below.

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 list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States of America.

The Corporation intends to apply to list its Common Shares on the Canadian Securities Exchange (the "**CSE**"). Listing will be subject to the Corporation fulfilling all of the requirements of the CSE.

The following table sets out maximum securities issuable to the Agent:

| | Number of Securities | Exercise Period | Exercise Price |
|-----------------------|-----------------------------|-----------------------------------|-----------------------|
| Over-Allotment Option | 1,000,000 | Up to 30 days from Closing | \$0.20 |
| Agent's Options | 600,000 ⁽¹⁾ | Up to 24 months from listing date | \$0.20 |

Note:

- (1) Assuming the Over-Allotment Option is exercised in full.

The Agent, as exclusive agent of the Corporation for the purposes of this Offering, offers the Units for sale under this Prospectus at the Offering Price on a commercially reasonable efforts basis, in accordance with the Agency Agreement referred to under “Plan of Distribution” below and subject to the approval of certain legal matters on behalf of the Corporation by Transactio Corporate Finance Lawyers LLP and on behalf of the Agent by Dunton Rainville LLP. No person is authorized to provide any information or to make any representation in connection with this offering other than as contained in this Prospectus.

This Offering is subject to the completion of a minimum subscription of 1,750,000 Units for gross proceeds to the Corporation of \$350,000. If the minimum subscription is not completed within 90 days of the issuance of a receipt for the (final) prospectus or such other time as may be consented to by the Agent and the subscribers, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

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 share certificates evidencing the Common Shares and the Series A Warrants in definitive form will be available for delivery at the Closing unless the Agent elects for delivery in electronic book entry form through CDS Clearing and Depository Services Inc. (“CDS”) or its nominee. If delivered in book entry form, purchasers of the Units will receive only a customer confirmation from the registered dealer that is a CDS participant from or through which the Units were purchased.

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FORWARD-LOOKING STATEMENTS

This Prospectus contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information may include, but is not limited to, statements with respect to the future price of metals, historical estimates of mineralization, capital expenditures, success of exploration activities, permitting time lines, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage, the completion of regulatory approvals. In certain cases, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information in this Prospectus includes, among other things, proposed expenditures for exploration work on the Umex 1 Property (as described herein), general and administrative expenses, expectations generally regarding completion of this Offering, the ability of the Corporation to raise further capital for corporate purposes, the utilization of the net proceeds of the Offering and treatment under applicable governmental regimes for permitting and approvals. See "Narrative Description of the Business – Recommendations", "Use of Proceeds" and "Risk Factors" below.

Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner, to 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" below. 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.

GLOSSARY OF TERMS

“**Agency Agreement**” means the Agency Agreement dated ■, 2017 between the Agent and the Corporation.

“**Agent**” means Leede Jones Gable Inc.

“**Agent's Fee**” means the cash commission paid to the Agent equal to 10% of the gross proceeds in relation to this Offering.

“**Agent's Options**” means the options granted to the Agent as compensation for its services in relation to this Offering entitling the Agent to purchase one Unit per option within 24 months after the Closing Date.

“**Board of Directors**” or “**Board**” means the Corporation's board of directors.

“**Closing**” means the closing of the Offering and the issuance by the Corporation of the Units.

“**Closing Date**” means such day for Closing as determined by the Agent and as agreed to by the Corporation.

“**Common Shares**” means the common shares in the capital of the Corporation.

“**Corporate Finance Fee**” means the fee previously paid by the Corporation to the Agent as consideration for corporate finance services provided by the Agent.

“**Corporation**” means M.P.V. Explorations Inc.

“**Escrow Agent**” means Computershare Investor Services Inc.

“**Exchange**” or “**CSE**” means the Canadian Securities Exchange.

“**Listing Date**” means the date the Common Shares commence trading on the Exchange.

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

“**Offering Price**” means \$0.20 per Unit.

“**Over-Allotment Option**” means the option granted to the Agent exercisable, in whole or in part, at the sole discretion of the Agent, at any time not later than 30 days following Closing to arrange for the purchase of up to 1,000,000 Units at the Offering Price, to cover over-allotments, if any.

“**Series A Warrants**” means the Common Share purchase warrants forming part of the Units offered under this Offering.

“**Stock Option Plan**” means a stock option plan approved by the shareholders of the Corporation on September 12, 2017, providing for the granting of incentive stock options to the Corporation's directors, officers, employees and consultants.

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

“**Technical Report**” means the technical report dated August, 2017 entitled “*NI 43-101 Technical Report, Umex 1 Property*” authored by Geominex Inc.

“**Transfer Agent**” means Computershare Investor Services Inc.

“**Units**” means the Units offered hereunder, each consisting of one Common Share and one Series A Warrant.

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 was incorporated under the *Canada Business Corporations Act* on April 6, 2010 under the name M.P.V. Explorations Inc./Explorations M.P.V. Inc.
- The Corporation's corporate and registered office is located at 1080 Beaver Hall Hill, Suite 1606, Montreal, Quebec, H2Z 1S8.
- The Corporation's Business:** The Corporation is engaged in the business of mineral exploration and the acquisition of mineral property assets in Canada with an emphasis on the Chibougamou region of the Province of Québec. Its objective is to identify and develop economic precious and base metal properties of merit and to conduct exploration programs thereon.
- Further to these objectives, the Corporation entered into an option agreement pursuant to which it is entitled to earn an undivided 100% interest in the Umex 1 Property subject to a 2% net smelter return.
- The Corporation intends to fund the exploration of the Umex 1 Property and its initial commitments thereon using the proceeds of its prior private placement financing and this Offering. See "Narrative Description of the Business" below.
- The Umex 1 Property:** The Umex 1 Property is located in La Ribourde and Saussure townships in the Abitibi-Est region (32G/13 and 32G/14). The property consists of a single block of 14 claims (775.6 hectares) located approximately 40 km west of the Town of Chapais.
- Management, Directors and Officers:** Jean-François Perras – Director, President and Chief Executive Officer
Jean Rainville – Director
Marc-André Lavoie- Director
Nathalie Laurin – Chief Financial Officer and Corporate Secretary
See "Directors and Officers" below.
- The Offering:** The Corporation is offering a minimum of 1,750,000 and a maximum of 5,000,000 Units for sale at a price of \$0.20 per Unit in the provinces of Québec, Ontario and British Columbia. Each Unit consists of one Common Share and one Series A Warrant. Each Series A Warrant entitles the holder thereof to acquire one Common Share at a price of \$0.30 each at any time for a period of 24 months following the Closing Date.
- This Prospectus also qualifies the distribution of (i) up to 500,000 Agent's Options assuming the Maximum Offering is sold and 600,000 Agent's Options in the event where the Over-Allotment Option is fully exercised, to the extent that such securities are Qualified Compensation Securities; and (ii) the Over-Allotment Option which is exercisable for up to 1,000,000 Units issuable upon the exercise thereof.
- In addition, this Prospectus also qualifies for distribution the Units issuable upon the conversion of a promissory note in the amount of \$25,000 bearing interest at the rate of 6% per annum which was issued on September 21, 2017. The note, together with any interest accrued thereon, will be converted into Units at the Offering Price upon the Closing of the Offering.

See "Plan of Distribution" below.

Use of Proceeds:

The gross proceeds to the Corporation (excluding proceeds which may be received from the exercise of the Over-Allotment Option) from the sale of the Units offered hereby will be \$350,000 in the event where the Minimum Offering is subscribed and \$1,000,000 in the event where the Maximum Offering is subscribed. The total funds available to the Corporation at the Closing of the Offering, after deducting the estimated expenses of the Offering of \$115,000, the Agent's Fee of \$35,000 in the case of the Minimum Offering and \$100,000 in the case of the Maximum Offering, and including the Corporation's estimated working capital as at December 12, 2017 of \$515,000, are estimated to be \$715,000 in the case of the Minimum Offering and \$1,300,000 in case of the Maximum Offering. The Corporation intends to expend its available funds for the following principal purposes:

| | Minimum Offering ⁽¹⁾ | Maximum Offering⁽¹⁾ |
|---|--|---|
| Sources of funds | | |
| Gross Proceeds | \$350,000 | \$1,000,000 |
| Working Capital | \$515,000 | \$515,000 |
| Total: | \$865,000 | \$1,515,000 |
| Use of funds | | |
| Agent's Fee | \$35,000 | \$100,000 |
| Estimated Offering Expenses | \$115,000 | \$115,000 |
| Cost of Phase 1 exploration program | \$253,750 | \$253,750 |
| Administrative costs for 12 months | \$126,000 | \$176,000 |
| Cost of Phase 2 exploration program (2) | -- | \$400,000 |
| Property Option Payment | \$25,000 | \$25,000 |
| Total: | \$554,750 | \$1,069,750 |
| Unallocated working capital: | \$310,250 | \$445,250 |

Notes:

- (1) See "Use of Proceeds" below. 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. In the event of exercise of the Over-Allotment Option, the Corporation will use the proceeds for general working capital.
- (2) The Corporation does not intend to incur Phase 2 exploration expenditures in the event where only the Minimum Offering is completed.

**Summary of
Financial
Information:**

The following selected financial information is subject to the detailed information contained in the audited financial statements of the Corporation and notes thereto appearing elsewhere in this Prospectus. The selected financial information is derived from the audited financial statements for the years ended March 31, 2016 and 2017 and for the six-month period ended September 30, 2017.

| | Period ended March 31, 2016 (unaudited) | Period ended March 31, 2017 (audited) | Period ended September 30, 2017 (unaudited) |
|----------------------------------|--|--|--|
| Total revenues | \$118 | \$1,223 | \$625 |
| Professional and Consulting Fees | \$7,533 | \$2,499 | \$35,911 |
| Other expenses | \$1,447 | \$583 | \$5,335 |
| Loss before income taxes | \$(8,862) | \$(1,859) | \$(40,621) |
| Common Shares | 2,417,250 | 2,417,250 | 3,230,250 |
| Total assets | \$45,362 | \$59,113 | \$173,703 |
| Total Liabilities | \$463 | \$16,073 | \$44,884 |

Risk Factors:

An investment in the Units should be considered highly speculative and investors may incur a loss on their investment. The Corporation has no history of earnings and to date has not defined any commercial quantities of mineral reserves on the Umex 1 Property. The Corporation has an option only to acquire an interest in the Umex 1 Property and there is no guarantee that the Corporation's 100% interest, if earned, will be certain or that it cannot be challenged by claims of aboriginal or indigenous title, or unknown third parties claiming an interest in the Umex 1 Property. The Corporation and its assets may also become subject to uninsurable risks. The Corporation's activities may require permits or licenses which may not be granted to the Corporation. The Corporation competes with other companies with greater financial resources and technical facilities. The Corporation may be affected by political, economic, environmental and regulatory risks beyond its control. The Corporation is currently largely dependent on the performance of its directors and officers and there is no assurance the Corporation can retain their services. In recent years both metal prices and publicly traded securities prices have fluctuated widely. See "Risk Factors" below.

Currency:

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

THE CORPORATION

Name and Incorporation

M.P.V. Explorations Inc. was incorporated pursuant to the *Canada Business Corporations Act* on April 6, 2010 as a private corporation. On September 12, 2017, the shareholders of the Corporation approved an amendment to its articles of incorporation removing all restrictions to the number of shareholders and the transfer of shares.

The Corporation's corporate and registered office is located at 1080 Beaver Hall Hill, Suite 1606, Montréal, Québec, H2Z 1S8.

The Corporation has no subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

Business of the Corporation

The Corporation is engaged in the business of mineral exploration and the acquisition of mineral property assets in Canada and more specifically in the Chibougamou mining region of the Province of Québec. See "Narrative Description of the Business" below.

History

The Corporation initially entered into option agreements on mineral claims in the James Bay Chibougamou region and common share private placements totaling \$162,420 were completed in order to fund exploration work on these optioned claims which were subsequently abandoned for lack of meaningful data.

In May of 2016, the Corporation undertook to participate in an arm's length peat moss transformation project and to this effect, made a loan in the amount of \$25,000 to Biomoss Carbon ULC. The loan carries interest at the rate of 5% and is repayable in May of 2018

No other exploration activities were carried out after 2012 and although the Corporation investigated various exploration opportunities, market conditions were such that no transactions were ever concluded. However, in 2017, the Corporation renewed its efforts and, to this effect, entered into an option agreement as described hereafter.

Acquisitions

On March 31, 2017, the Corporation entered into an arm's length option agreement with Les Ressources Tectonic Inc. (the "**Optionor**"), to acquire a 100% interest in the Umex 1 Property. Under the terms of the agreement, and to acquire its interest, the Corporation had to meet the following conditions and payments:

- (a) On signing of the agreement, pay to the Optionor a sum of \$15,000, which payment has been made ;
- (b) on or before the first anniversary of this Agreement, pay to the Optionor an additional sum of \$25,000 and incur exploration expenditures on the mineral claims in a minimum of \$50,000 which exploration expenditures have already been incurred;
- (c) on or before the second anniversary of this Agreement, pay to the Optionor an additional sum of \$50,000 and incur additional exploration expenditures on the mineral claims in a minimum of \$100,000;

- (d) on or before the third anniversary of this Agreement, pay to the Optionor an additional sum of \$75,000 and incur additional exploration expenditures on the mineral claims in a minimum of \$150,000; and
- (e) on or before the fourth anniversary of this Agreement, pay to the Optionor an additional sum of \$135,000 and incur additional exploration expenditures on the mineral claims in a minimum of \$200,000.

In addition, the Corporation agreed to a 2% net smelter return royalty of which one-half can be repurchased by the Corporation at its option for \$1,500,000. The Corporation also has a right of first refusal on any disposition of the royalty by the Optionor. Finally, title to the claims will only be transferred to the Corporation at such time as when all conditions to the agreement have been satisfied.

In May 2017, the Corporation carried out a private placement of common shares and flow through common shares in order to fund the initial option payment of \$15,000 as well as the initial work commitment of \$50,000.

Trends

As a junior mining company, the Corporation is highly susceptible to the cycles of the mineral resource sector and the financial markets as they relate to junior companies.

The Corporation's financial performance is dependent upon many external factors. Both prices and markets for metals are volatile, difficult to predict and subject to changes in domestic and international, political, social and economic environments. Circumstances and events beyond its control could materially affect the financial performance of the Corporation. Apart from this risk and the risk factors noted under the heading "Risk Factors", the Corporation is not aware of any other trends, commitments, events or uncertainties that are reasonably likely to have a material adverse effect on the Corporation's business, financial conditions or result of operations.

NARRATIVE DESCRIPTION OF THE BUSINESS

Overview

The Corporation is engaged in the business of acquiring and exploring mineral resource properties. The Corporation's principal property is the Umex 1 Property (in this section, the "**Property**"), located alongside a provincial highway approximately 50 km west of the Town of Chapais, Québec. Hydro Québec's Abitibi Transenergy station is located less than one kilometre away. See "Acquisitions" above.

The Corporation intends to use the net proceeds from this Offering to carry out exploration on the Property and for general working capital. The Corporation may eventually decide to acquire other mineral properties as opportunities present themselves.

Umex 1 Property

The following information regarding the Property is summarized or extracted from an independent technical report dated August 1, 2017 entitled "*NI 43-101 Technical Report, Umex 1 Property*" prepared for the Corporation by Geominex Inc. (the "**Author**"), in accordance with the requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). The technical report can be viewed in its entirety on www.sedar.com.

Introduction

This report was prepared to provide a technical report in accordance with National Instrument 43-101 (NI 43-101) for the Umex 1 Property for the purposes of listing the Corporation on the Canadian Securities Exchange (CSE). The report is also intended to be a comprehensive compilation of past exploration work done on the property in order to assess its potential and recommend further exploration work.

At the request of Jean-François Perras, President of the Corporation, Géominex Inc., a mineral exploration consulting company, has prepared a technical report in accordance with the current NI 43-101 standard. The report was prepared by Dominique Gagné and Marcel Robillard, M.Sc., both geologists, registered members of the *Ordre des Géologues du Québec* and qualified persons under NI 43-101.

Description and Location

The Umex 1 Property is located in La Ribourde and Saussure townships in the Abitibi-Est region (32G/13 and 32G/14). The property consists of a single block of 14 claims (775.6 hectares) located approximately 40 km west of the town of Chapais. Route 113 crosses the property from east to west and a power transmission station is located less than one kilometre from the property. The claims have been renewed and are valid until 2019.

On March 31, 2017, the Corporation signed an option agreement with Les Ressources Tectonic Inc. to acquire a 100% interest in the mineral claims of the Umex 1 Property. The exclusive option agreement is for a four-year term and calls for \$300,000 in cash payments and \$500,000 in exploration work. The Corporation must pay a 2% net smelter return (NSR) on any commercial production on the Umex 1 Property, but may buy back half the NSR for \$1,500,000 at any time prior to the start of commercial production on the property.

The property is located in generally low-lying terrain near small lakes and rivers, with few rock outcrops and widespread marshy areas. The forest cover ranges from moderate to locally very dense and consists mainly of black spruce. The few hills in the area are directly linked to glacial deposits such as moraines and eskers.

History

Exploration was first carried out on the Umex 1 Property in 1948-49 by J.E. Gilbert, who performed geological reconnaissance and regional mapping for Quebec's Department of Natural Resources. Apart from small geophysical surveys and reconnaissance work, exploration truly began when Union Minière Explorations (UMEX) carried out an electromagnetic survey in 1969, followed by intensive drilling between 1969 and 1970.

The drilling program resulted in the delineation of the mineralized deposit of the same name (UMEX), with a historical resource of 450,000 tonnes grading 1.35% copper (Cu), 2.0% zinc (Zn) and 38 g/t silver (Ag).

In 1973 and 1974, SOQUEM drilled 11 holes to test the gravity targets associated with geophysical conductors and the extensions of the UMEX deposit at depth and toward the east side of the property. The drill holes intercepted the mineralized zone and replicated the earlier results. Since that time, limited geophysical surveys have been conducted on the UMEX deposit, but no further drilling has been done.

Les Ressources Tectonic has owned the claims since 2011 and has done most of the recent exploration work on the property. Les Ressources Tectonic conducted a magnetic survey, a VLF survey, and a till sampling and prospecting program, as well as prospecting along the new logging roads in the area.

Geological Setting & Mineralization

The Umex 1 Property is located in the Superior Province, which forms the central part of the Canadian Shield. Superior Province is subdivided into sub provinces, including the Abitibi sub province, which is a large Archean volcano-sedimentary belt. Regional metamorphism is generally at the greenstone facies but increases to amphibolite closer to the Grenville Front.

The property is located in the Blondeau Formation, which is characterized by a volcano-sedimentary assemblage comprising rhyolitic flows, felsic tuffs, cherty and graphite tuffs, shales, sandstones and sulphide-rich stratiform deposits (Daoudene et al. 2016).

In the area of the property, the Blondeau Formation forms east-west-oriented (N070°) volcanic and sedimentary horizons with an almost vertical dip. The predominant unit in the area is the felsic tuff with alteration at the greenstone facies (chlorite, biotite) increasing to amphibolite in places depending on the proximity of the large granite intrusion that borders the property to the south. To the north of the property, the Kapunapotagen fault separates the Gaubrée Formation of the Opemisca Group from the Scorpion Formation of the Roy Group, with the former overlying the latter.

The known mineralization on the property consists of a layer of massive sulphides (pyrite and pyrrhotite with trace of chalcopyrite, sphalerite and silver) interbedded with graphite. A historical resource of 450,000 tonnes grading 1.35% copper (Cu), 2.0% zinc (Zn) and 38 g/t silver (Ag) was estimated on the UMEX deposit, located at the centre of the property. The mineralization extends about 450 metres along strike and to a depth of about 150 metres.

The UMEX 1 mineralization can be characterized as a sedimentary exhalative (SedEx) deposit. SedEx deposits (Figure 7) are hosted by a cover sequence to an intracontinental rift system that has been filled by continental clastics, volcanics or marine clastics. Chloride brines, formed during an evaporite period of rift filling or by the later subsurface dissolution of the evaporites, collect in the deep part of the rift-fill sequence. The rift-cover sequence acts as a hydrothermal caprock (base marked by bold dashed line in Figure 7) to the brines during heating by burial or deep magmatism. The heated brines flow to the contemporaneous surface of the cover sequence when the caprock is ruptured by renewed extensional tectonism. (Lydon, J.W., 1996)

Line cutting has just been completed for a magnetic and electromagnetic survey in the western part of the property, thereby entirely covering the UMEX 1 Property. The results are presented herein under Section 8, “Exploration”.

Exploration

The first exploration work carried out on the UMEX 1 property on behalf of M.P.V. Explorations Inc. took place during the summer of 2017. It consisted of line cutting and ground geophysical surveys in the western part of the property to cover the UMEX 1 deposit and its nearby extensions.

Horizontal loop electromagnetic (EMH-MaxMin) and magnetometry (Mag) geophysical surveys were conducted by Geosig Inc. and GL Géoservice Inc. The geophysical surveys were ground follow-up to an airborne survey that identified Input electromagnetic anomalies. The geophysics program was conducted from June 27 to July 4, 2017, and consisted of 46 kilometres of Mag surveying and 42.1 kilometres of EMH-MaxMin surveying on a previously cut grid.

The survey grid is oriented east-west and extends 2.2 km, from line 11+00W to line 11+00E. It consists of 23 equidistant lines 1,825 m long spaced at 100 m. The lines are connected by a 0+00N base line and two connecting lines at each end, TL 10+00S and TL 8+25N. The EMH survey totalled 42.1 kilometres and covered all the lines. The Mag survey covered 46 kilometres because, in addition to all lines, it partially covered the base line and the connecting lines.

The 2017 UMEX 1 grid is characterized by mean magnetic field values of close to 55,500 nT. The total magnetic field ranges from a minimum value of about 51,624 nT to a maximum anomalous value of about 61,600 nT.

The magnetometer survey identified multiple magnetic horizons, especially in the southern part of the grid (Figure 8). These horizons strike east-west and reach an intensity of over 2,500 nT. There are essentially three major east-west-striking magnetic horizons on the property, all located in the southern part of the property.

Conclusions and Recommendations

The Umex 1 Property is without doubt a promising property with significant mineral potential. It is located in a favourable geological setting for major mineral deposits, and previous exploration has identified copper-zinc-silver mineralization. A first phase of work (Phase 1) at a budget of \$253,750 is recommended to confirm the project's mineral potential and collect new data for the UMEX deposit using up-to-date exploration methods and techniques.

A small drilling program is therefore recommended at the heart of the UMEX deposit to properly characterize the mineralization and collect representative, up-to-date samples. A petrographic study on a few thin sections is also recommended to verify the nature of the massive sulphides and the minerals associated with the metals.

The exploration grid cut in 2017 should be extended 1 km eastward, and magnetic and electromagnetic surveys identical to those conducted in 2017 should be carried out.

Budget (Phase 1)

| | | |
|--------------------------|--------------------------|------------------|
| Five 200-metre holes: | (1,000 metres @ \$160/m) | \$160,000 |
| Petrographic study: | (10 thin sections) | \$5,000 |
| Line cutting: | (50 km @ \$650/km) | \$32,500 |
| Geophysics: | (50 km @ \$625/km) | \$31,250 |
| Geology and prospecting: | | \$ 25,000 |
| TOTAL: | | \$253,750 |

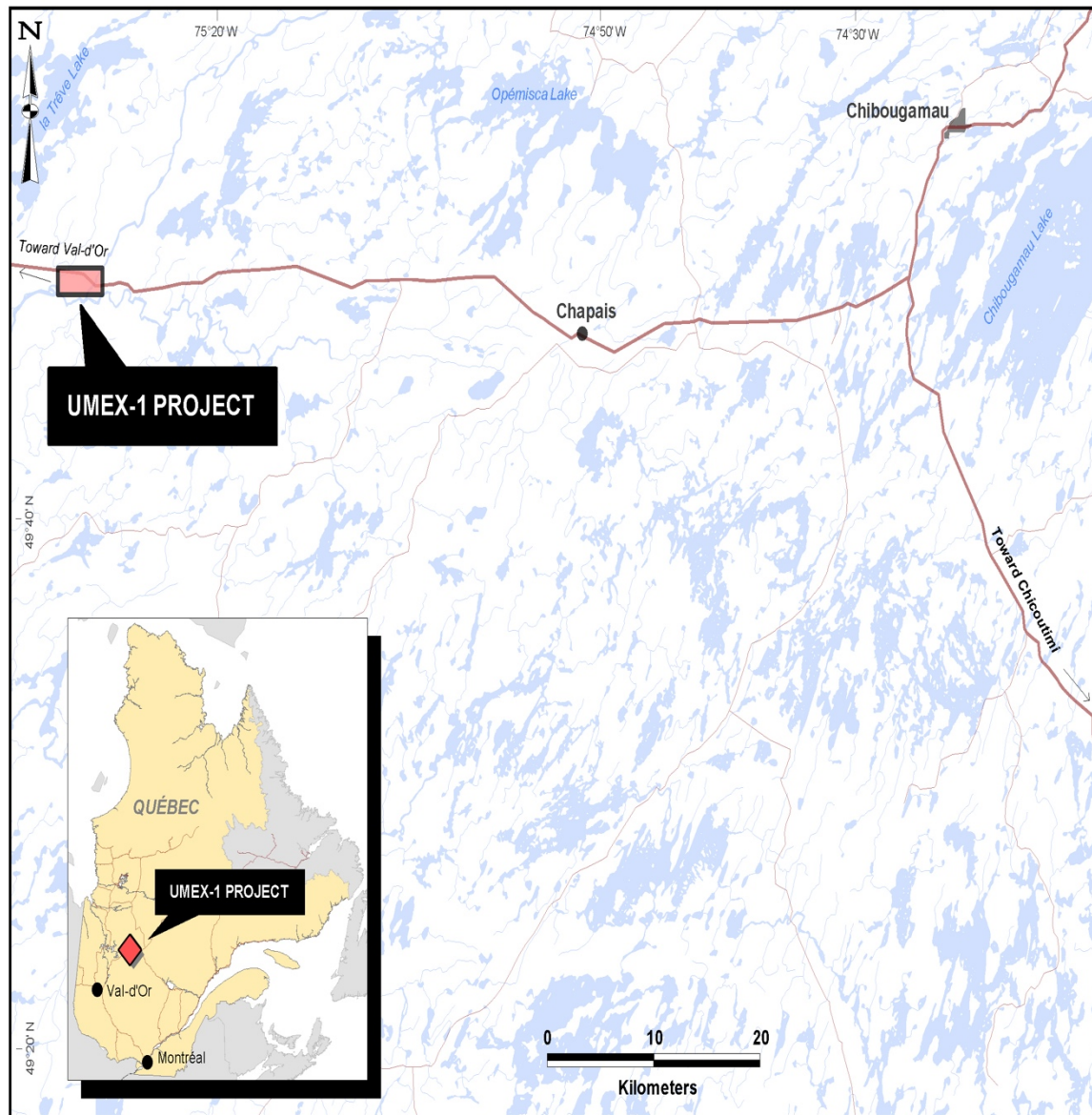
Assuming the results of Phase 1 are satisfactory, additional exploration work on the Umex 1 Property is recommended, consisting of more intense drilling on the UMEX deposit and the start of exploration drilling on the new grid and on the geophysical anomalies identified during Phase 1 of the program.

Budget (Phase 2)

| | | |
|---------------------|--------------------------|-----------|
| Drilling (2,500 m): | 2,500 metres at \$160/m: | \$400,000 |
|---------------------|--------------------------|-----------|

The total recommended budget for the two phases of exploration is \$653,750.

Property Location



List of Claims

| Claim Number | Expiration |
|--------------|------------|
| CDC2181236 | 18-03-2019 |
| CDC2181237 | 18-03-2019 |
| CDC2181238 | 18-03-2019 |
| CDC2181239 | 18-03-2019 |
| CDC2181240 | 18-03-2019 |
| CDC2181241 | 18-03-2019 |
| CDC2182594 | 20-04-2019 |
| CDC2182595 | 20-04-2019 |
| CDC2182596 | 20-04-2019 |
| CDC2182597 | 20-04-2019 |
| CDC2182598 | 20-04-2019 |
| CDC2182599 | 20-04-2019 |
| CDC2421831 | 22-01-2019 |
| CDC2421832 | 22-01-2019 |

Umex 2 Property

The Corporation also owns outright, a block of 58 contiguous cells to the east and of the same conductive strip as that traversing the Umex 1 property and covering an area of 3,211 hectares. Umex 2 was directly acquired by the Corporation through staking. No work is planned for the Umex 2 property for the near future as all proposed funding is being allocated to the Umex 1 property.

USE OF PROCEEDS

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 Québec, Ontario and British Columbia. If all the Units offered pursuant to this Offering are sold, the gross proceeds to the Corporation will be \$1,000,000 (assuming no exercise of the Over-Allotment Option).

This offering is subject to the completion of a minimum subscription of 1,750,000 Units for gross proceeds to the Corporation of \$350,000. If the Minimum Offering is not completed within 90 days of the issuance of a receipt for the Prospectus or such other time as may be consented to by the Agent and Subscribers, all subscription will be returned to Subscribers without interest or deduction unless the subscribers have otherwise instructed the Agent.

Funds Available

The gross proceeds to the Corporation (excluding proceeds which may be received from the exercise of the Over-Allotment Option) from the sale of the Units offered hereby will be \$350,000 in the case of the Minimum Offering and, \$1,000,000 in the case of the Maximum Offering. The total funds available to the Corporation at the Closing of the Offering, after deducting the estimated expenses of the Offering of \$115,000, the Agent's Fee of \$35,000 in the case of the Minimum Offering and \$100,000 in the case of the Maximum Offering (the Corporate Finance Fee of \$15,000 plus applicable taxes of which \$5,000 has previously been paid), and including estimated working capital as at December 12, 2017 of \$515,000, are estimated to be \$715,000 in the case of the Minimum Offering and \$1,300,000 in case of the Maximum Offering.

The Corporation intends to expend its available funds for the following principal purposes:

| | Minimum Offering ⁽¹⁾ | Maximum Offering⁽¹⁾ |
|---|--|---|
| Sources of funds | | |
| Gross Proceeds | \$350,000 | \$1,000,000 |
| Working Capital | \$515,000 | \$515,000 |
| Total: | \$865,000 | \$1,515,000 |
| Use of funds | | |
| Agent's Fee | \$35,000 | \$100,000 |
| Estimated Offering Expenses | \$115,000 | \$115,000 |
| Cost of Phase 1 exploration program | \$253,750 | \$253,750 |
| Administrative costs for 12 months | \$126,000 | \$176,000 |
| Cost of Phase 2 exploration program (2) | -- | \$400,000 |
| Property Option Payment | \$25,000 | \$25,000 |
| Total: | \$554,750 | \$1,069,750 |
| Unallocated working capital: | \$310,250 | \$445,250 |

Notes:

- (1) See "Use of Proceeds" below. 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. In the event of exercise of the Over-Allotment Option, the Corporation will use the proceeds for general working capital.
- (2) The Corporation does not intend to incur Phase 2 exploration expenditures in the event where only the Minimum Offering is completed.

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 twelve months following completion of the Offering are comprised of the following:

| Administrative Expenses | Minimum Offering | Maximum Offering |
|--------------------------------|-------------------------|-------------------------|
| Office Rent | \$12,000 | \$12,000 |
| Management and Administration | \$69,000 | \$119,000 |
| Transfer Agent | \$10,000 | \$10,000 |
| Insurance | \$10,000 | \$10,000 |
| Accounting, Legal and Audit | \$25,000 | \$25,000 |
| Total: | \$126,000 | \$176,000 |

Since its incorporation on April 6, 2010, the Corporation has not generated cash flow from its operations and has incurred certain operating losses. Such losses and negative operating cash flow are expected to continue since funds will be expended to pay its administrative expenses and to conduct the recommended Phase 1 and Phase 2 exploration programs on the Umex 1 Property. Although the Corporation has allocated \$554,750 (as above) from the Minimum Offering and \$1,069,750 in case of the Maximum Offering, to fund its ongoing operations for a period of 12 months, thereafter, the Corporation will be reliant on future equity financings for its funding requirements.

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.

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. The Corporation's Chief Financial Officer will be responsible for the investment of unallocated funds.

In the event of full exercise of the Over-Allotment Option, potential additional gross proceeds totaling \$200,000 will be added to the Corporation's general working capital.

Stated Business Objectives and Milestones

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

- (a) obtain a listing of its Common Shares on the Exchange;
- (b) conduct the Phase 1 exploration program on the Umex 1 Property recommended in the Technical Report; and
- (c) if warranted, conduct the Phase 2 exploration program on the Umex 1 Property recommended in the Technical Report.

The listing of the Corporation's Common Shares on the Exchange is subject to the Corporation fulfilling all of the requirements of the CSE. Upon completion of the Offering, the Phase 1 exploration program is expected to be conducted in the spring of 2018.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

Annual Information

The following table summarizes selected information from the Corporation's financial statements for the periods ended March 31, 2016 and 2017 as well as the six months ended September 30, 2017.

| | Period ended March 31, 2016 (unaudited) | Period ended March 31, 2017 (audited) | Period ended September 30, 2017 (unaudited) |
|-----------------------------------|---|---|---|
| Total revenues | \$118 | \$1,223 | \$625 |
| Professional & Consulting Fees | \$7,533 | \$2,499 | \$35,911 |
| Other expenses | \$1,447 | \$583 | \$5,335 |
| Loss before income taxes | \$(8,862) | \$(1,859) | \$(40,621) |
| Common Shares | 2,417,250 | 2,417,250 | 3,230,250 |
| Total assets | \$45,362 | \$59,113 | \$173,703 |
| Total Liabilities | \$463 | \$16,073 | \$61,216 |

Dividends

There are no restrictions that would prevent the Corporation from paying dividends on the Common Shares, however, the Corporation has neither declared nor paid any dividends on its Common Shares since incorporation and has not established any dividend or distribution policy. The Corporation intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Management's Discussion and Analysis

The following discussion of the operating results and financial position of the Corporation should be read in conjunction with the audited financial statements and related notes for the years ended March 31, 2016 and 2017. The financial statements are included in this Prospectus and should be referred to when reading this disclosure. The financial statements summarize the financial impact of the Corporation's financings, investments and operations, which financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. The effective date of this management's discussion and analysis is December 13, 2017.

Management's Discussion & Analysis ("MD&A") of Financial Condition & the Results of Operations for the Financial Years ended March 31, 2017 and 2016

This MD&A is for the audited fiscal year ended March 31, 2017 and the unaudited fiscal year ended March 31, 2016 and should be read in conjunction with the Corporation's financial statements and the related notes contained therein for the financial years ended March 31, 2017 and 2016 (the "Financial Statements") which are included in this Prospectus. The Financial Statements summarize the financial impact of the Corporation's financings, investments and operations, which Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). The significant accounting policies are set out in Note

5 to the Financial Statements. The Corporation presents some comparative unaudited financial information at the transition date of April 1, 2015.

All figures are in Canadian dollars unless otherwise stated.

DATE

The MD&A was prepared on the basis of information available as at September 9, 2017.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

While the Corporation believes that the assumptions underlying in the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this document. The Corporation disclaims any intention or obligation to update or revise any forward-looking statement, whether or not it should be revised because of new information, future events or otherwise, unless required to do so by the applicable securities laws.

NATURE OF ACTIVITIES

M.P.V. Explorations Inc. is incorporated under the *Canada Business Corporations Act*. The Corporation is involved in the acquisition, exploration and development of mining properties. The Corporation is active in Canada.

OVERALL PERFORMANCE

Results of Operations

Umex Project

Property Description

The Umex 1 Property consists of 14 cells covering a total area of 776 hectares. The property is located within the Eastern Abitibi region at 40 km west of the town of Chapais and 88 km west of the town of Chibougamau.

Work done during the year

On March 31, 2017, the Corporation signed an option agreement to acquire 100% of the property (see section Commitments for more details).

No exploration work was carried out on the property during the year.

Umex 2 Property

The Umex 2 property is composed of one block of 58 contiguous cells to the east, and on the same conductive strip as that traversing the Umex 1 Property. The property is covering an area of 3,211 hectares. It is wholly-owned by the Corporation.

Work done during the year

No exploration work was carried out on the property during the year.

Selected Annual Information

The following table represents selected annual financial information derived from the Financial Statements for the financial years ended March 31, 2017 and 2016 and, for the opening balance as of April 1st, 2015 and

should be read in conjunction with the Financial Statements.

| | Year ended March 31, 2017 (Audited) | Year ended March 31, 2016 (Unaudited) | Transition date April 1, 2015 (Unaudited) |
|-----------------------------|---|---|---|
| In \$ except for share data | | | |
| Revenue | 1,223 | 118 | - |
| Net loss | (1,859) | (8,862) | - |
| Total liabilities | 16,073 | 463 | 546 |
| Total assets | 59,113 | 45,362 | 54,307 |

Results of Operations for the financial year ending March 31, 2017

M.P.V. Explorations anticipates that, for the foreseeable future, quarterly results of operations will primarily be impacted by several factors, including the timing of exploration and the efforts and timing of expenditures related to the development of the Corporation. Due to fluctuations in these factors, the Corporation believes that the period-to-period comparisons of operating results are not a good indication of its future performance.

The following discussion and analysis are based on the Corporation's results of operations for the year ended March 31, 2017. The following selected financial information data is derived from the Corporation's financial statements for the year indicated.

| FINANCIAL HIGHLIGHTS | | |
|---------------------------------|-------------------|---------------------|
| March 31 | | |
| | 2017 (Audited) | 2016 (Unaudited) |
| Expenses | \$3,082 | \$8,980 |
| Revenues | \$1,223 | \$118 |
| Net loss and comprehensive loss | \$1,859 | \$8,862 |
| Cash | \$17,660 | \$19,693 |

Revenues

Revenues for the year ended March 31, 2017, amounted to \$1,223 (\$118 in 2016) and consisted of interest revenues. Given its status as a mining exploration company, the Corporation does not generate any steady income, and must finance its activities by issuing equity instruments.

Expenses

Expenses included shareholders' information, professional and consultant fees and other expenses for the year ended March 31, 2017. The \$5,898 decrease from the previous year was primarily due to a decrease of shareholder information offset by an increase in business development expenses.

Liquidity and Capital Resources

Cash as at March 31, 2017, totaled \$17,660 compared to \$19,693 as at March 31, 2016. It is management's intention to secure further capital funding in the form of equity to support current and future exploration and evaluation assets development.

For the next year, the Corporation has budgeted \$126,000 for administrative expenses. Management is of the opinion that, even if it is unable to raise additional equity financing, the Corporation will be able to meet its

current exploration obligations and keep its properties in good standing for the next 12 months. Advanced exploration of some of the mineral properties would require substantially more financial resources. There is no assurance that such financing will be available when required, or under terms that are favourable to the Corporation. The Corporation may also select to advance the exploration and development of exploration and evaluation assets through joint ventures. Management is currently considering opportunities for further financing.

| CASH FLOWS | | |
|----------------------|-------------------|---------------------|
| March 31 | | |
| | 2017 (Audited) | 2016 (Unaudited) |
| Operating activities | \$(2,033) | \$(8,784) |
| Investing activities | Nil | \$(25,000) |
| Cash | \$17,660 | \$19,693 |

During the year ended March 31, 2017, funds used for operating activities were spent primarily on improving operations and promotion of the Corporation.

During the previous year ended March 31, 2016, investing activities consisted primarily in an investment and loan to arm's length third parties.

Contractual Obligations and Off-Balance Sheet Arrangements

Commitments

In March 2017, the Corporation signed an option agreement to acquire 100% of the Umex 1 Property which is located in the eastern Abitibi region, 40 km west of the Town of Chapais and 88 km west of the Town of Chibougamau. The Corporation is required to pay \$15,000 (condition fulfilled) upon signing the agreement. The Corporation will also have to incur:

- On or before the first anniversary of the agreement, pay an additional sum of \$25,000 and incur exploration expenditures in a minimum of \$50,000;
- On or before the second anniversary of the agreement, pay an additional sum of \$50,000 and incur exploration expenditures in a minimum of \$100,000;
- On or before the third anniversary of the agreement, pay an additional sum of \$75,000 and incur exploration expenditures in a minimum of \$150,000;
- On or before the fourth anniversary of the agreement, pay an additional sum of \$135,000 and incur exploration expenditures in a minimum of \$200,000.

ROYALTIES ON THE MINING PROPERTY

| PROPERTY | ROYALTY | | DESCRIPTION |
|----------|------------------------------|------------|--|
| | Name | Percentage | |
| Umex | Les Ressources Tectonic Inc. | 100% | 2% NSR of which 1% may be purchased for an amount of \$1,500,000 |

Related Party Transactions

Transactions with Key Executives and with members of the Board of Directors

During the year, the Corporation incurred \$449 (\$533 in 2016) in professional and consultant fees with the corporate secretary of the Corporation. Accounts payable and accrued liabilities include an amount of \$263 (\$463 in 2016) in relation with these transactions.

During the year, the Corporation incurred \$1,500 (\$6,000 in 2016) in professional and consultant fees with its former president. Accounts payable and accrued liabilities include an amount of \$810 (nil in 2016) in relation with these transactions.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed by the related parties.

Subsequent events

In May 2017, the Corporation closed a private placement of 46 units. Each unit is comprised of 7,500 common shares at a price of \$0.12 per share, for total gross proceeds of \$41,400.

In May 2017, the Corporation closed a private placement of 117 units of flow-through common shares. Each unit is comprised of 4,000 flow-through common shares at a price of \$0.15 per share, for total gross proceeds of \$70,200.

In July 2017, the Corporation signed an engagement letter with Leede Jones Gable (“Agent”) as exclusive agent for the initial public offering (“Agreement”) of the Units. Upon the acceptance of this Agreement, the Corporation will pay to the Agent a corporate finance fee of \$10,000 of which \$5,000 will be non-refundable and payable upon the acceptance of this engagement letter (condition fulfilled). The remaining \$5,000 will be payable on the closing date. The Corporation will pay to the Agent a cash commission equal to 10% of the gross proceeds of the offering on the Closing Date. The Corporation will issue to the Agent a non-transferable option for the purchase of that number of units issued from treasury of the Corporation equal to 10% exercisable at a price of \$0.20 per unit for a period of 24 months from the closing date. The Corporation will also be responsible for the legal costs incurred by Leede Jones Gable up to a maximum of \$20,000 plus disbursements and applicable taxes.

OTHER REQUIREMENTS IN THE MANAGEMENT DISCUSSION AND ANALYSIS

| MATERIAL COMPONENTS | | |
|---|-------------------|---------------------|
| March 31 | | |
| | 2017 (Audited) | 2016 (Unaudited) |
| Statement of net loss and comprehensive loss | | |
| Expenses | \$3,082 | \$8,980 |
| | | |
| Statements of financial position | | |
| Exploration and evaluation assets | \$15,000 | \$ - |
| Loan to arm's length third parties | \$ - | \$20,000 |
| Investment | \$ - | \$5,000 |
| Loan receivable from Biomoss Carbon ULC | \$25,000 | \$ - |

As at March 31, 2017 and 2016, the Corporation had 2,417,250 Common Shares issued and outstanding. As at the date of this Prospectus the Corporation has 3,230,250 Common Shares issued and outstanding.

Additional Disclosure for IPO Venture Issuers without Significant Revenue

The components of expensed exploration costs are described in the schedule of exploration expenditures in the accompanying Financial Statements of the Corporation. The details of general and administrative expenses are included in the statement of operations, comprehensive loss and deficit in the Financial Statements of the Corporation.

Additional Disclosure for Junior Issuers

The Corporation expects that the proceeds raised pursuant to the Offering will fund operations for a minimum of 12 months after the completion of the Offering. The estimated total operating costs necessary for the Corporation to achieve its stated business objectives during the 12 months subsequent to the completion of the Offering is \$554,750 in the case of the Minimum Offering and \$1,069,750 in case of the Maximum Offering assuming completion of Phase 2 of the proposed exploration program.

Significant Accounting policies

Functional and presentation currency

The functional and reporting currency of the Corporation is the Canadian dollar.

Tax credits receivable

The Corporation is entitled to a refundable tax credit on qualified exploration expenditures incurred and refundable credit on duties for losses under the Mining Tax Act. These tax credits are recognized as a reduction of the exploration costs incurred based on estimates made by management. The Corporation records these tax credits when there is reasonable assurance with regards to collections and assessments and that the Corporation will comply with the conditions associated to them.

Exploration and evaluation expenditures, and exploration and evaluation assets

Exploration and evaluation expenditures are costs incurred in the course of the initial search of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.

Once the legal right to undertake exploration and evaluation activities has been obtained, all costs of acquiring mineral rights or options to acquire such rights (option agreement), expenses related to the exploration and evaluation of mining properties, less refundable tax credits related to these expenses, are recognized as exploration and evaluation assets. Expenses related to exploration and evaluation include topographical, geological, geochemical and geophysical studies, exploration drilling, trenching, sampling and other costs related to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource. The various costs are capitalized on a property-by-property basis pending determination of the technical feasibility and commercial viability of extracting a mineral resource. These assets are recognized as intangible assets and are carried at cost less any accumulated impairment losses. No depreciation expenses are recognized for these assets during the exploration and evaluation phase.

Whenever a mining property is considered no longer viable, or is abandoned, the capitalized amounts are written down to their recoverable amounts; the difference is then immediately recognized in profit and loss.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in Mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit and loss before reclassification.

To date, neither the technical feasibility nor the commercial viability of extracting a mineral resource has been demonstrated.

Although the Corporation has taken steps to verify title to the mining properties in which it holds an interest, in accordance with industry practices for the current stage of exploration and development of such properties, these procedures do not guarantee the validity of the Corporations titles. Property titles may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Impairment of exploration and evaluation assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or cash-generating unit is reviewed for impairment.

Impairment reviews for exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

- The right to explore the areas has expired or will expire in the near future with no expectation of renewal;
- No further exploration or evaluation expenditures in the area are planned or budgeted;
- No commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area;
- Sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are tested for impairment before these items are transferred to property and equipment.

An impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

An impairment loss is reversed when the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

Share capital

Share capital represents the amount received on the issue.

Flow-through shares

Issuance of flow-through shares represents an issue of ordinary shares and the sale of the right to tax deductions to the investors. When the flow-through shares are issued, the sale of the right to tax deductions is deferred and presented in other liability in the statement of financial position. The proceeds received from flow-through shares are allocated between share and, if any, the other liability using the residual method. Proceeds are first allocated to shares according to the quoted price of existing shares at the time of issuance and the residual proceeds is allocated to the other liability.

The other liability recorded is reversed on renouncement of the right to tax deductions to the investors or when the Corporation has the intention to renounce of tax deductions to the investors and when eligible expenses are incurred and recognized in profit or loss in reduction of deferred income taxes expense.

Share Issuance Expenses

Share issuance expenses are recorded as an increase to the deficit in the year in which they are incurred.

Other elements of equity

Deficit includes all current and prior year retained profits or losses.

Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognized when the Corporation becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transactions costs. The subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Financial assets

For the purpose of subsequent measurement, financial assets of the Corporation are classified into the following categories upon initial recognition:

- Loans and receivables
- Available-for-sale financial assets

The category determines subsequent measurement, and whether any resulting income and expenses is recognized in profit or loss or in other comprehensive income. All income and expenses relating to financial assets that are recognized in profit or loss are presented within Finance costs or Interests Income, if any.

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date.

They are carried at amortized cost less any impairment. The impairment loss of receivables is based on a review of all outstanding amounts at year-end. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would not be material. The Corporation's cash, loan to individuals, other receivables and loan receivable fall into this category of financial assets.

Available-for-sale financial assets

Investment is classified as available-for-sale financial assets. They are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognized in other comprehensive income and presented within equity in accumulated other comprehensive income.

When investment is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss. Investment was initially recorded at fair value and subsequently measured at cost as fair value cannot be reliably determined.

Management's Discussion & Analysis ("MD&A") of Financial Condition & the Results of Operations for the six-month period ended September 30, 2017 and 2016

The condensed interim financial statements do not include all the information and notes required for the purpose of audited annual financial statements. The accounting methods used are the same as those used for the purpose of audited annual financial statements for the year ended March 31, 2017, prepared in accordance with IFRS as they are published by the International Accounting Standards Board ("IASB"). Therefore, this discussion and analysis should be read in conjunction with the unaudited condensed interim financial statements as at September 30, 2017 and notes thereto, as well as audited financial statements and notes thereto and the MD&A for the year ended March 31, 2017.

All figures are in Canadian dollars unless otherwise stated.

DATE

The MD&A was prepared on the basis of information available as at December 13, 2017.

While the Company believes that the assumptions underlying in the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this document. The Company disclaims any intention or obligation to update or revise any forward-looking statement, whether or not it should be revised because of new information, future events or otherwise, unless required to do so by the applicable securities laws.

NATURE OF ACTIVITIES

M.P.V. Explorations Inc. is incorporated under the Canada Business Corporations Act. The Company is involved in the acquisition, exploration and development of mining properties. The Company is active in Canada.

OVERALL PERFORMANCE

Results of Operations

Umex-1 Project

Property Description

The Umex-1 property consists of 14 cells covering a total area of 776 hectares. The property is located within the Eastern Abitibi region at 40 km west of the town of Chapais and 88 km west of the town of Chibougamau.

Work done during the period

On March 31, 2017, the Company signed an option agreement to acquire 100% of the property (see section Commitments for more details).

Exploration and evaluation work on the Umex-1 project for an amount of \$71,034 was incurred during the six-month period ended September 30, 2017.

Umex-2 Property

The Umex-2 property is composed of one block of 58 contiguous cells to the east, and on the same conductive strip as that traversing the Umex-1 property. The property covers an area of 3,211 hectares. It is wholly-owned by the Company.

Work done during the period

No exploration work was carried out on the property during the period covered by this MD&A.

RESULTS OF OPERATIONS

M.P.V. Explorations anticipates that, for the foreseeable future, quarterly results of operations will primarily be impacted by several factors, including the timing of exploration and the efforts and timing of expenditures related to the development of the Company. Due to fluctuations in these factors, the Company believes that the period-to-period comparisons of operating results are not a good indication of its future performance.

The comments below provide an analysis of the operating results for the six-month period ended September 30, 2017. The selected financial information shown below is taken from the unaudited condensed interim financial statements for each of the three-month periods indicated.

FINANCIAL HIGHLIGHTS

| | September 30 (3 months) | |
|-----------------------------------|--------------------------|------------------|
| | 2017 | 2016 |
| Expenses | \$ 35,904 | \$ 292 |
| Revenues | \$ 313 | \$ 313 |
| Loss (Income) before income taxes | \$ 35,591 | \$ (21) |
| Deferred income taxes | \$ (7,671) | \$ - |
| Loss (Income) before income taxes | <u>\$ 27,920</u> | <u>\$ (21)</u> |
| Cash | <u>\$ 46,926</u> | <u>\$ 18,051</u> |

Expenses

Expenses included shareholders' information, professional and consultant fees and other expenses for the six-month period ended September 30, 2017. The \$40,024 increase from the previous period was due to an increase in professional fees and business development expenses.

Revenues

Revenues for the six-month period ended September 30, 2017, amounted to \$625 (\$598 - 2016) and consisted of interest revenues. Given its status as a mining exploration company, M.P.V. Explorations does not generate any steady income, and must finance its activities by issuing equity instruments.

The comments below provide an analysis of the operating results for the three-month period ended September 30, 2017. The selected financial information shown below is taken from the condensed unaudited interim consolidated financial statements for each of the three-month periods indicated.

FINANCIAL HIGHLIGHTS

| | September 30 (3 months) | |
|-----------------------------------|--------------------------|------------------|
| | 2017 | 2016 |
| Expenses | \$ 35,904 | \$ 292 |
| Revenues | \$ 313 | \$ 313 |
| Loss before income taxes | \$ 35,591 | \$ (21) |
| Deferred income taxes | \$ (7,671) | \$ - |
| Loss (Income) before income taxes | <u>\$ 27,920</u> | <u>\$ (21)</u> |
| Cash | <u>\$ 46,926</u> | <u>\$ 18,051</u> |

Expenses

Expenses included shareholders' information, professional and consultant fees and other expenses for the three-month period ended September 30, 2017. The \$35,612 increase from the previous period was primarily due to an increase in professional fees.

Revenues

Revenues for the three-month period ended September 30, 2017, amounted to \$313 (\$313 - 2016) and consisted of interest revenues. Given its status as a mining exploration company, M.P.V. Explorations does not generate any steady income, and must finance its activities by issuing equity instruments.

The selected financial information below was taken from M.P.V. Explorations' unaudited financial statements for each of the following quarters:

| | Sept. 30 2017 | June 30 2017 | March 31 2017 | Dec 31 2016 | Sept. 30 2016 | June 30 2016 | March 31 2016 | Dec 31 2015 |
|---|------------------|-----------------|------------------|----------------|------------------|-----------------|------------------|----------------|
| Revenues | 313 | 312 | 313 | 312 | 313 | 285 | 118 | - |
| Net income (loss) | (27,920) | 1,339 | (1,530) | 295 | 21 | (645) | (806) | (453) |
| Basic and diluted net loss per share | \$ (0.01) | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 |

Liquidity and Capital Resources

Cash as at September 30, 2017, totaled \$46,926 \$ compared to \$18,051 as at September 30, 2016. It is management's intention to secure further capital funding in the form of equity to support current and future exploration and development of its assets.

For the next year, the Company has budgeted \$126,000 for administrative expenses. Management is of the opinion that, even if it is unable to raise additional equity financing, the Company will be able to meet its current exploration obligations and keep its properties in good standing for the next 12 months. Advanced exploration of some of the mineral properties would require substantially more financial resources. There is no assurance that such financing will be available when required, or under terms that are favourable to M.P.V. Explorations. The Company may also select to advance the exploration and development of exploration and evaluation assets through joint ventures.

CASH FLOWS

| | September 30 (6 months) | |
|----------------------|-------------------------|-------------------|
| | 2017 | 2016 |
| Operating activities | \$ (33,438) | \$ (1,641) |
| Financing activities | \$ 131,400 | \$ - |
| Investing activities | \$ (68,696) | \$ - |
| | <u>\$ 29,266</u> | <u>\$ (1,641)</u> |
| Cash | <u>\$ 46,926</u> | <u>\$ 18,051</u> |

During the six-month period ended September 30, 2017, funds used for operating activities were spent primarily on improving operations and development of the Company.

During the six-month period ended September 30, 2017, the main financing activities undertaken by the Company were as follows:

In May 2017, the Company closed a private placement of 46 units. Each unit is comprised of 7,500 common shares at a price of \$0.12 per share, for total gross proceeds of \$41,400.

In May 2017, the Company closed a private placement of 117 units of flow-through common shares. Each unit is comprised of 4,000 flow-through common shares at a price of \$0.15 per share, for total gross proceeds of \$70,200.

In September 2017, the Company issued a convertible promissory note (“Note”) in the amount of \$25,000. The Note bears interest at the rate of 6% per year (effective interest rate of 25%). This promissory note and any accrued interest thereon will be converted into units of the Company based on the price of the unit obtained at the closing of its initial public offering. Each unit will consist of one common share and one common share purchase warrant. In the event where the initial public offering is not completed within 180 days, the promissory note will be converted in common shares at a price of \$0.12 per common share.

During the six-month period ended September 30, 2017, investing activities consisted primarily of prospecting work for property development.

Contractual Obligations and Off-Balance Sheet Arrangements

Commitments

In March 2017, the Company signed an option agreement to acquire 100% of the property Umex-1 property which is located in the eastern Abitibi region, 40 km west of the Town of Chapais and 88 km west of the Town of Chibougamau. The Company is required to pay \$15,000 (condition fulfilled) upon signing the agreement. The Company will also have to incur:

- On or before the first anniversary of the agreement, pay an additional sum of \$25,000 and incur exploration expenditures in a minimum of \$50,000 (\$50,000 fulfilled);
- On or before the second anniversary of the agreement, pay an additional sum of \$50,000 and incur exploration expenditures in a minimum of \$100,000;
- On or before the third anniversary of the agreement, pay an additional sum of \$75,000 and incur exploration expenditures in a minimum of \$150,000;
- On or before the fourth anniversary of the agreement, pay an additional sum of \$135,000 and incur exploration expenditures in a minimum of \$200,000.

ROYALTIES ON THE MINING PROPERTY

| PROPERTY | ROYALTY | | DESCRIPTION |
|----------|------------------------------|------------|--|
| | Name | Percentage | |
| Umex-1 | Les Ressources Tectonic Inc. | 100% | 2% NSR of which 1% may be purchased for an amount of \$1,500,000 |

In July 2017, the Company signed an engagement letter with Leede Jones Gable (“Agent”) as exclusive agent for the initial public offering (“Agreement”) of common share units. Upon the acceptance of this Agreement, the Company paid to the Agent a corporate finance fee of \$10,000 of which \$5,000 will be non-refundable. The remaining \$5,000 will be payable on the closing date. The Company will pay to the Agent a cash commission equal to 10% of the gross proceed of the offering on the closing date. The Company will issue to the Agent a non-transferable option for the purchase of that number of units issued from treasury of the Company equal to 10% exercisable at a price of \$0.20 per unit for a period of 24 months from the closing date. The Company is also responsible for the legal costs incurred by Leede Jones Gable up to a maximum of \$20,000 plus disbursements and applicable taxes.

In December 2017, the Company amended the engagement letter signed with Leede Jones Gable Inc. in July 2017. All terms remained the same except the following:

- Initial public offering of a minimum of \$350,000 and a maximum of \$1,000,000.
- Over-allotment option exercisable in whole or in part giving the right to acquire, during 30 days after the closing date, an additional 20% of units sold pursuant to the offering at the issue price.
- Corporate finance fee for a total amount of \$15,000, of which \$5,000 has already been paid and the balance of \$10,000 will be payable at the closing of the initial public offering.

Related Party Transactions

Transactions with Key Executives and with members of the Board of Directors

During the six-month period ended September 30, 2017, the Company incurred \$3,437 (\$186 in 2016) in professional fees with its corporate secretary. In relation with these transactions no amount was payable as at September 30, 2017 (Nil in 2016).

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed by the related parties.

Subsequent events

In December 2017, the Company closed a private placement consisting of A and B units. Each A unit is comprised of 4,000 flow-through shares at a price of \$0.25 per share, for total gross proceeds of \$187,000. Each B unit is comprised of 6,667 common shares at a price of \$0.15 and 6,667 common share purchase warrants exercisable at any time at a price of \$0.25 per common share for a period of 36 months starting from the date upon which the Company obtains a receipt for a final prospectus. Total gross proceeds for the B units amount to \$293,000.

In December 2017, the Company granted share purchase options to directors and officers to acquire a total of 500,000 common shares. Each option entitles its holder to subscribe for one share of the Company at a price of \$0.20 for a period of five years.

OTHER REQUIREMENTS IN THE MANAGEMENT DISCUSSION AND ANALYSIS

MATERIAL COMPONENTS

| | 2017 | September 30 2016 | 2015 |
|--|-------------|----------------------|----------|
| Statements of net loss and comprehensive loss | | | |
| Expenses | \$ 41,246 | \$ 1,222 | \$ 7,603 |
| Statements of financial position | | | |
| Exploration and evaluation assets | \$ 90,473 | \$ - | \$ - |
| Loan receivable from Biomoss Carbon ULC | \$ 25,000 | \$ - | \$ - |
| Unsecured convertible promissory note | \$ (21,332) | \$ - | \$ - |

As at September 30, 2017 the Company had 3,230,250 (2,417,250 in 2016) Common Shares issued and outstanding. As at the date of this Prospectus the Company has 5,931,681 Common Shares issued and outstanding.

Additional Disclosure for IPO Venture Issuers without Significant Revenue

The components of expensed exploration costs are described in the schedule of exploration expenditures in the accompanying Financial Statements of the Company. The details of general and administrative expenses are included in the statement of operations, comprehensive loss and deficit in the Financial Statements of the Company.

Additional Disclosure for Junior Issuers

The Company expects that the proceeds raised pursuant to the Offering will fund operations for a minimum of 12 months after the completion of the Offering. The estimated total operating costs necessary for the Issuer to achieve its stated business objectives during the 12 months subsequent to the completion of the minimum amount of the Offering is \$554,750 including all material capital expenditures during that period.

Significant Accounting policies

Functional and presentation currency

The functional and reporting currency of the Company is the Canadian dollar.

Tax credits receivable

The Company is entitled to a refundable tax credit on qualified exploration expenditures incurred and refundable credit on duties for losses under the Mining Tax Act. These tax credits are recognized as a reduction of the exploration costs incurred based on estimates made by management. The Company records these tax credits when there is reasonable assurance with regards to collections and assessments and that the Company will comply with the conditions associated to them.

Exploration and evaluation expenditures, and exploration and evaluation assets

Exploration and evaluation expenditures are costs incurred in the course of the initial search of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.

Once the legal right to undertake exploration and evaluation activities has been obtained, all costs of acquiring mineral rights or options to acquire such rights (option agreement), expenses related to the exploration and evaluation of mining properties, less refundable tax credits related to these expenses, are recognized as exploration and evaluation assets. Expenses related to exploration and evaluation include topographical, geological, geochemical and geophysical studies, exploration drilling, trenching, sampling and other costs related to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource. The various costs are capitalized on a property-by-property basis pending determination of the technical feasibility and commercial viability of extracting a mineral resource. These assets are recognized as intangible assets and are carried at cost less any accumulated impairment losses. No depreciation expenses are recognized for these assets during the exploration and evaluation phase.

Whenever a mining property is considered no longer viable, or is abandoned, the capitalized amounts are written down to their recoverable amounts; the difference is then immediately recognized in profit and loss.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in Mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit and loss before reclassification.

To date, neither the technical feasibility nor the commercial viability of extracting a mineral resource has been demonstrated.

Although the Company has taken steps to verify title to the mining properties in which it holds an interest, in accordance with industry practices for the current stage of exploration and development of such properties, these procedures do not guarantee the validity of the Company's titles. Property titles may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Impairment of exploration and evaluation assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or cash-generating unit is reviewed for impairment.

Impairment reviews for exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

- The right to explore the areas has expired or will expire in the near future with no expectation of renewal;
- No further exploration or evaluation expenditures in the area are planned or budgeted;
- No commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area;
- Sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are tested for impairment before these items are transferred to property and equipment.

An impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

An impairment loss is reversed when the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

Share capital

Share capital represents the amount received on the issue.

Flow-through shares

Issuance of flow-through shares represents an issue of ordinary shares and the sale of the right to tax deductions to the investors. When the flow-through shares are issued, the sale of the right to tax deductions is deferred and presented in other liability in the statement of financial position. The proceeds received from flow-through shares are allocated between share and, if any, the other liability using the residual method. Proceeds are first allocated to shares according to the quoted price of existing shares at the time of issuance

and the residual proceeds is allocated to the other liability.

The other liability recorded is reversed on renouncement of the right to tax deductions to the investors or when the Company has the intention to renounce of tax deductions to the investors and when eligible expenses are incurred and recognized in profit or loss in reduction of deferred income taxes expense.

Share Issuance Expenses

Share issuance expenses are recorded as an increase to the deficit in the year in which they are incurred.

Other elements of equity

Deficit includes all current and prior year retained profits or losses.

Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transactions costs. The subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Financial assets

For the purpose of subsequent measurement, financial assets of the Company are classified into the following categories upon initial recognition:

- Loans and receivables

The category determines subsequent measurement, and whether any resulting income and expenses is recognized in profit or loss or in other comprehensive income. All income and expenses relating to financial assets that are recognized in profit or loss are presented within Finance costs or Interests Income, if any.

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date.

They are carried at amortized cost less any impairment. The impairment loss of receivables is based on a review of all outstanding amounts at year-end. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would not be material. The Company's cash, loan to individuals, other receivables and loan receivable fall into this category of financial assets.

The Company classifies its financial liabilities in the category financial liabilities at amortized cost.

The Company classifies its financial liabilities in the category financial liabilities at amortized cost.

Financial liabilities at amortized cost

Financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost.

Financial liabilities are classified as current or non-current based on their maturity date. Financial liabilities of the Company include accounts payable and accrued liabilities and the unsecured convertible promissory .

Unsecured convertible promissory note

The component part of the unsecured convertible promissory note issued by the Corporation is classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement and the definitions of a fixed financial liability and an equity instrument.

At the date of issue, the liability component is recognized at fair value, which is estimated using the prevailing market interest rate for similar non convertible instruments. Subsequently, the liability component is measured at amortized cost using the effective interest method; the liability component is increased by accretion of the discounted amounts to reach the nominal value of the unsecured convertible promissory note at maturity.

The value of the conversion option classified as equity was determined at the issuance date by deducting the amount of the liability component from the fair value of the unsecured convertible promissory note. This amount is recognized in equity and is not subsequently remeasured. The conversion option is recognized net of income tax effects. When and if the conversion option is exercised, the equity component of the unsecured convertible promissory note and the debt component will be transferred to capital stock.

Income taxes

Income tax expense represents current tax and deferred tax. The Company records current tax based on the taxable profits for the year, which is calculated using tax rates that have been enacted or substantively enacted by the reporting date. However, since the Company is in exploration phase and has no taxable income, tax expense recognized in profit or loss is currently comprised only of deferred tax.

Deferred income taxes are accounted for using the liability method that requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are determined for each temporary difference based on currently enacted or substantially enacted tax rates that are expected to be in effect when the underlying items of income or expense are expected to be realized. The effect of a change in tax rates or tax legislation is recognized in the year of substantive enactment. Deferred tax assets, such as non-capital loss carry-forwards or deductible temporary difference, are recognized to the extent it is probable that taxable profit will be available against which the asset can be utilized. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention of set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred income tax expense in profit or loss, except where they are related to items that are recognized in other comprehensive loss or directly in equity, in which case the related deferred tax is also recognized in other comprehensive loss or equity, respectively.

Provisions and contingent liabilities

Provision are recognized where a legal or constructive obligation has been incurred as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized share capital of the Corporation consists of an unlimited number of common shares. As of the date of this Prospectus, 5,931,681 Common Shares were issued and outstanding as fully paid and non-assessable shares and 1,953,431 Common Share purchase warrants. Each warrant entitles the holder to purchase one Common Share at a price of \$0.25 at any time prior to 5:00 p.m. (Montreal time) up to December 4, 2020. On December 11, 2017, the Corporation granted a total of 500,000 options to purchase common shares to members of the board of directors and of the management team. See **“Options to Purchase Securities”**.

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 Common Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Corporation. The holders of the Common 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 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 Common 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.

Series A Warrants

Each Series A Warrant will entitle the holder to purchase one Common Share at a price of \$0.30 at any time prior to 5:00 p.m. (Montreal time) on the second anniversary of the Closing Date.

The Series A Warrants will not be listed for trading.

Holders of Series A Warrants will not have any voting rights or any other rights which a holder of Common Shares would have (including, without limitation, the right to receive notice of or to attend meetings of shareholders or any right to receive dividends or distributions). Holders of Series A Warrants will have no pre-emptive rights to acquire securities of the Corporation.

The Series A Warrants will be adjusted in the number of Common Shares issuable on the exercise thereof and/or the exercise price thereof, on the occurrence of certain events, including:

- the subdivision or change of the outstanding Common Shares into a greater number of Common Shares;
- the reduction, combination, or consolidation of the Common Shares into a lesser number of Common Shares; and
- the reorganization, reclassification or other change of the Common Shares into other securities.

Agent's Options

The Corporation has also agreed to grant to the Agent, Agent's Options entitling the Agent to purchase that amount of Units as is equal to 10% of Units to be issued pursuant to this Offering, including any Units sold under the Over-Allotment Option, with an exercise price that is equal to the Offering Price. See "Plan of Distribution" below.

CONSOLIDATED CAPITALIZATION

The following table summarizes the changes in the Corporation's capitalization since March 31, 2017 and after giving effect to the Offering:

| Description | Authorized | Outstanding at March 31, 2017 (audited) | Outstanding as at date of the Prospectus (unaudited) | Outstanding after giving effect to the Minimum Offering ⁽¹⁾ (unaudited) | Outstanding after giving effect to the Maximum Offering ^{(1) (2)} (unaudited) | Outstanding after giving effect to the Maximum Offering and Over Allotment Option ^{(1) (2)} (unaudited) |
|---------------|------------|---|--|--|--|--|
| Common Shares | unlimited | 2,417,250 | 5,931,681 | 7,681,681 | 10,931,681 | 11,931,681 |

Notes:

- (1) As partial consideration for the sale of the Units pursuant to this Prospectus, the Corporation has agreed to grant the Agent's Options entitling the Agent to purchase up to that number of Units as is equal to 10% of the number of Units issued pursuant to this Offering, including any Units sold under the Over-Allotment Option. The Agent's Options may be exercised at a price of \$0.20 per Unit for a period of 24 months from the date of Closing. The Agent's Over-Allotment Option entitles it to purchase up to that number of Units as is equal to 20% of the number of Units issued pursuant to this Offering for a period of 30 days from the Closing Date. This Prospectus qualifies the distribution of the Agent's Options and Over-Allotment Option to the Agent to the extent that they do not constitute Qualified Compensation Securities. The Common Shares issuable on exercise of the Agent's Options are not reflected in these figures.
- (2) Does not include the 125,000 Common Shares issuable to BlackRock Metals Inc. upon conversion of a promissory note. See "**Plan of Distribution**".

OPTIONS TO PURCHASE SECURITIES

The Stock Option Plan was approved by the Corporation's shareholders on September 12, 2017. 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 Common Shares of the Corporation issued and outstanding from time to time.

The Stock Option Plan will be administered by the Board of Directors, who 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 may from time to time designate. The exercise prices shall be determined by the Board, but shall, in no event, be less than the closing market price of the Corporation's shares on the Exchange on the date of grant of such options, less the maximum discount permitted under the Exchange policies. The Stock Option Plan provides that the number of Common 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 Common Shares on a non-diluted basis, from

time to time. In addition, the number of Common Shares, which may be reserved for issuance to any one individual upon the exercise of all stock options held by such individual within a one-year period, may not exceed 5% of the Common Shares issued and outstanding on the grant date, on a non-diluted basis, unless otherwise approved by disinterested shareholders of the Corporation. Subject to earlier termination in the event of dismissal for cause, early retirement, voluntary resignation or termination other than for cause, or in the event of death or disability, all options granted under the Stock Option Plan will expire on the date set by the Board as the expiry date of the option, which expiry date shall not be more than 10 years from the date that such options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

On December 11, 2017, the board of directors granted the following stock options:

| NAME | NUMBER OF COMMON SHARES UNDER OPTION | EXERCISE PRICE PER COMMON SHARE | EXPIRY DATE |
|---|---|---------------------------------------|---------------|
| Jean-Francois Perras, CEO & Director | 200,000 | \$0.20 | December 2022 |
| Jean Rainville, Director | 100,000 | \$0.20 | December 2022 |
| Marc-Andre Lavoie, Director | 150,000 | \$0.20 | December 2022 |
| Nathalie Laurin, CFO | 50,000 | \$0.20 | December 2022 |

Agent's Options

The Corporation will issue to the Agent, Agent's Options for the purchase of up to that number of Units as is equal to 10% of the Units of the Corporation issued pursuant to the Offering, including any Units sold under the Over-Allotment Option, exercisable at a price of \$0.20 per Unit for a period of 24 months from the Closing Date.

PRIOR SALES

The following table summarizes the sales of securities of the Corporation in the 12 months prior to the date of this Prospectus:

| Issue Date | Price Per Common Share | Number of Common Shares Issued | Proceeds to the Corporation |
|---------------|---------------------------|-----------------------------------|--------------------------------|
| May 2017 | \$0.12 | 345,000 | \$41,400 |
| May 2017 | \$0.15 ⁽¹⁾ | 468,000 | \$70,200 |
| December 2017 | \$0.15 | 1,953,431 ⁽²⁾ | \$293,014 |
| December 2017 | \$0.25 ⁽¹⁾ | 748,000 ⁽¹⁾ | \$187,000 |

Note:

- (1) Denotes flow-through common shares.
- (2) Denotes units consisting of one (1) common share and one (1) warrant to purchase one common share at a price of \$0.25 at any time up to December 4, 2020.

ESCROWED SECURITIES

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 escrow regime applicable to initial public distributions. Equity securities, including Common Shares, owned or controlled by the Principals of the Corporation are subject to the escrow requirements set out in National Instrument 46-201 - *Escrow for Initial Public Offerings*.

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

- (a) directors and senior officers of the Corporation, as listed in this Prospectus;
- (b) promoters of the Corporation during the two years preceding this Offering;
- (c) 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;
- (d) those who own and/or control more than 20% of the Corporation's voting securities immediately after completion of this Offering; and
- (e) associates and affiliates of any of the above.

The Principals of the Corporation are Jean-François Perras, the Chief Executive Officer and director of the Corporation, Jean Rainville and Marc-André Lavoie who are directors of the Corporation.

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 (as defined below), 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 Escrowed Securities may not be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within the escrow are:

- (a) 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 Board of Directors;
- (b) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children or parents;
- (c) transfers upon bankruptcy to the trustee in bankruptcy;
- (d) pledges to a financial institution as collateral for a loan, provided that upon a realization the securities remain subject to escrow; and
- (e) 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.

In accordance with NI 46-201, it is anticipated that the following automatic timed releases will apply to the securities held by its principals:

| Date | % of Escrowed Securities Released |
|--|--|
| The date the issuer's securities are listed (the "Listing Date") | 1/10 of the escrow securities |
| 6 months after the Listing Date | 1/6 of the remaining escrow securities |
| 12 months after the Listing Date | 1/5 of the remaining escrow securities |
| 18 months after the Listing Date | 1/4 of the remaining escrow securities |
| 24 months after the Listing Date | 1/3 of the remaining escrow securities |
| 30 months after the Listing Date | 1/2 of the remaining escrow securities |
| 36 months after the Listing Date | The remaining escrow securities |

The following table sets forth details of the Escrowed Securities that are subject to the Escrow Agreement as of the date of this Prospectus:

| Designation of class | No. of Escrowed Common Shares ⁽¹⁾⁽²⁾ | Percentage (Minimum Offering) ⁽³⁾ | Percentage (Maximum Offering) ⁽³⁾ |
|----------------------|---|--|--|
| Common Shares | 764,170 ⁽⁴⁾ | 9.95% | 6.70% |

Notes:

- (1) These shares have been deposited in escrow with the Escrow Agent.
- (2) Pursuant to an escrow agreement (the "**Escrow Agreement**") made as of ■, among the Corporation, the Escrow Agent and certain Principals of the Corporation, the Principals agreed to deposit in escrow their Common Shares (the "**Escrowed Securities**") with the Escrow Agent. The Escrow Agreement provides that 10% of the Escrowed Securities will be released from escrow upon the Listing Date and that, where there are no changes to the Common Shares initially deposited and no additional Escrow Securities, the remaining Escrowed Securities will be released in equal tranches of 15% every 6 month interval thereafter, over a period of 36 months.
- (3) Does not include exercise of Agent's Options, the Over-Allotment Option, the warrants or the Series A Warrants.
- (4) Does not include 66,670 Series A Warrants held by a director of the Corporation.

Shares Subject to Resale Restrictions

Those securities which are issued to the Agent and which do not constitute Qualified Compensation Securities will be subject to a four month hold period, in accordance with applicable securities laws.

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 Common Shares carrying more than 10% of the votes attached to the Corporation's Common Shares.

DIRECTORS AND OFFICERS

The following table provides the names, provinces of residence, positions, 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 | Number and % of Common Shares Beneficially Owned Directly or Indirectly (as at the date of this Prospectus) |
|---|--|---|--|
| Jean-François Perras Montréal, Québec President, CEO and director | President and CEO since April 2017. Director since September 2017 | Businessman and Private Investor | 373,170 6.3% |
| Jean Rainville Outremont, Québec director | April 2010 | President and CEO of BlackRock Metals Inc. | 269,000 ⁽¹⁾ 4.5% |
| Marc-André Lavoie Montréal, Québec director | September 2017 | Managing Director Gestion Macher Inc. | 122,000 ⁽²⁾ 2.1% |
| Nathalie Laurin | December 2017 | Self employed in accounting and management services | - |

Note:

- (1) Of this number, a total of 120,000 Common Shares are held by Mr. Rainville's holding company 4470524 Canada Inc.
- (2) Mr. Lavoie owns 90,000 directly, with the balance held by his wife.

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 Corporation has one committee, the audit committee, comprised of all three members of the board of directors.

The following is a brief description of the background of the key management, directors and promoters of the Corporation.

Jean-François Perras, (age 47) CEO & Director

Jean-François Perras has been the CEO of M.P.V. Explorations Inc. since April 2017. Since assuming his position, he has focused the Corporation on the prospective Chapais-Chibougamau mining camp, and most recently helped arrange the acquisition and development of the UMEX-1 Property. Mr Perras has no prior

managerial experience in the mining industry and his experience in this sector has been limited to investment activities.

Mr Perras has 20 years of diverse operating business and investment experience, and has been responsible for creating, financing and developing a number of private companies. Most notably, Mr. Perras co-founded and was President of EXAF Solutions, an IT consulting firm that he eventually sold in 2009 to what is now known as Alithya Group Inc. Since then, Mr. Perras has been involved in various public and private companies as a private investor. It is anticipated that Mr. Perras will spend approximately 50% of his time on M.P.V. Explorations Inc.

Mr. Perras holds a Diploma in Business Administration and Marketing from Canadore College in North Bay, Ontario.

Jean Rainville, (age 64) Director

Jean Rainville, B. Eng. Mining, B. Comm., has over 35 years of experience in the mining industry and financial markets. Since 2008 Mr. Rainville's principal occupation has been that of President and Chief Executive Officer of Black Rock Metals Inc., a privately-owned Canadian company involved in the development of a fully integrated, metals & materials manufacturing business around its wholly-owned, world-class vanadium and titanium bearing magnetite and ilmenite deposit situated in the Chibougamou region of Québec.

Prior to that, Mr. Rainville has worked as an engineer, fund manager and corporate finance manager and, over the years, has also served on the board of directors of many public companies. He holds a Bachelor of Mining Engineering and Metallurgy as well as a Bachelor of Administration from McGill University. Mr. Rainville estimates that he will spend less than 20% of his time on the business of the Corporation.

Marc-André Lavoie, (age 50) Director

Marc André Lavoie, BA, M.Sc., M.Phil., has extensive experience in international financial markets and natural resources. He is currently managing director of Gestion Macber Inc., a private investment company. Previously, he acted as CEO and Director of two publicly traded natural resource companies. Prior to that, Mr. Lavoie worked for approximately 15 years as a capital markets banker. He holds a Bachelor from St Francis University in Nova Scotia, and a Masters from Cambridge University in the United Kingdom. Mr. Lavoie estimates that he will spend approximately 10% of his time on the business of the Corporation.

Nathalie Laurin, (age 49) Chief Financial Officer & Corporate Secretary

Nathalie Laurin has over 25 years experience in management and accounting at various levels including finance and project management. Since 2016, Mrs. Laurin is the chief financial officer for Critical Elements Inc. Since 2006, Mrs. Laurin has, through her management services company, held positions in several other public and private corporations where she serves as corporate secretary and chief financial officer. Mrs. Laurin estimates that she will be spending less than 20% of her time on the business of the Corporation.

Corporate Cease Trade Orders or Bankruptcies

To the Corporation's knowledge:

- (a) no existing or proposed director, executive officer or promoter of the Corporation is, or within the ten years prior to the date hereof has been, a director or executive officer of any other Corporation that, while that person was acting in the capacity of director or executive officer of that Corporation, was the subject of a cease trade order or similar order or an order that denied the Corporation access to any statutory exemptions for a period of more than 30 consecutive days;

- (b) no existing or proposed director, executive officer or promoter of the Corporation is, or within the ten years prior to the date hereof ceased to be a director or executive officer of any other Corporation that, was the subject of a cease trade order or similar order or an order that denied the Corporation access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the director, executive officer or promoter ceased to be a director or executive officer and which resulted from an event that occurred while that person was acting in the capacity as director or executive officer; and
- (c) no existing or proposed director, executive officer or promoter of the Corporation is, or within the ten years prior to the date hereof has been, a director or executive officer of any other Corporation that, while that person was acting in the capacity of director, executive officer or promoter of that Corporation, 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.

Penalties or Sanctions

To the Corporation's knowledge, no existing or proposed director, executive officer, promoter or other member of management of the Corporation has been subject to any penalties or sanctions imposed by a court or securities regulatory authority relating to trading in securities, promotion, formation or management of a publicly traded Corporation, or involving fraud or theft.

Personal Bankruptcies

To the Corporation's knowledge no existing or proposed director, officer, promoter or other member of management of the Corporation has, during the ten years prior to the date hereof, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

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 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.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The executive compensation discussion below discloses compensation paid to the following individuals:

- (a) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to that of a chief executive officer;
- (b) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to that of a chief financial officer;
- (c) in respect of the Corporation and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with Section 1.3(5) of Form 51-102F6V under National Instrument 51-102 – *Continuous Disclosure Obligations*, 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, as at the end of the most recently completed financial year,

(each, a "Named Executive Officer").

During the period ended September 30, 2017, the Corporation had two individuals who were Named Executive Officers, namely: (i) Jean-François Perras who was appointed the Chief Executive Officer of the Corporation on April 4, 2017; and (ii) Jean Rainville who acted as the Corporation's Chief Financial Officer from April 4, 2017 until December 4, 2017 at which time Nathalie Laurin was appointed Chief Financial Officer.

Compensation Discussion and Analysis

In assessing the compensation of its Named Executive Officers, the Corporation does not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board of Directors.

As of the date of this Prospectus, the Corporation's Board of Directors has not established any benchmark or performance goals to be achieved or met by Named Executive Officers, however, such Named Executive Officers are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Corporation. The satisfactory discharge of such duties is subject to ongoing monitoring by the Corporation's directors.

It is expected that once the Corporation becomes a reporting issuer, the principal component of a Named Executive Officer's compensation will consist of management fees. The base salary for each Named Executive Officer will be based on the position held, the related responsibilities and functions performed by the executive and salary ranges for similar positions in comparable companies. Individual and corporate performance will also be taken into account in determining base salary levels.

Another component of Named Executive Officer compensation is the grant of stock options pursuant to the Corporation's Stock Option Plan. The objective of this compensation component is to attract, retain and motivate certain persons of training, experience and leadership as key service providers to the Corporation, including its directors, Named Executive Officers and employees and to advance the interest of the Corporation by providing such persons with additional compensation and the opportunity to participate

in the success of the Corporation.

In addition to, or in lieu of, the compensation components described above, payments may be made from time to time to individuals, including Named Executive Officers or directors of the Corporation, or companies they control for the provision of management or consulting services. Such services will be paid for by the Corporation at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Summary Compensation Table

The following table sets forth the value of the compensation, excluding compensation securities, of the Corporation's directors and Named Executive Officers, for the years ended March 31, 2016 and 2017 respectively. No compensation of any kind was paid during the six-month period ended September 30, 2017.

| Name and Principal Position | Year | Fees | 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 | | | |
| Jean Rainville, Director ⁽¹⁾ | 2016 | \$6,000 | NIL | NIL | NIL | NIL | NIL | NIL | \$6,000 |
| | 2017 | \$1,500 | NIL | NIL | NIL | NIL | NIL | NIL | \$750 |

Note:

- (1) During the period in which the above fees were paid, Mr. Rainville was the Corporation's Chief Executive Officer.

External Management Companies

Of the Corporation's Named Executive Officers, neither Jean-Francois Perras nor Nathalie Laurin were or are employees of the Corporation.

As of the date of this Prospectus, the Corporation has not executed any employment, consulting or management agreements with any of its directors, Named Executive Officers or an external management company except for Nathalie Laurin who, on a going forward basis will be charging the Corporation for accounting services on a monthly basis consisting of a base fee of \$750 plus an hourly rate for additional time spent.

Stock Options and Other Compensation Securities

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. See "Options to Purchase Securities" above for a description of the material terms of the Corporation's Stock Option Plan.

On December 11, 2017, the Corporation granted a total of 500,000 options to purchase common shares to members of the board of directors and of the management team. See “Options to Purchase Securities”.

Proposed Compensation

For the next 12 months, the Corporation has no plans to pay compensation to the Named Executive Officers other than stock options which may be allocated at some point.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness for travel and other expense advances, 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 September 30, 2017, or is currently indebted to the Corporation at the date of this Prospectus.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

National Instrument 52-110 – *Audit Committees* (“NI 52-110”), NI 41-101 and Form 52-110F1 require the Corporation to disclose certain information relating to the Corporation's audit committee (the "Audit Committee") and its relationship with the Corporation's independent auditors.

Audit Committee Charter

The text of the Audit Committee's charter is attached hereto as Schedule “A”.

Composition of Audit Committee

The members of the Corporation's Audit Committee are set out below:

| | | |
|----------------------|-------------------------|-------------------------------------|
| Jean-François Perras | CEO & Director | Financially Literate ⁽²⁾ |
| Jean Rainville | Director | Financially Literate ⁽²⁾ |
| Marc-André Lavoie | Director ⁽¹⁾ | Financially Literate ⁽²⁾ |

Notes:

- (1) Marc-André Lavoie is the sole independent member of the audit committee. 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 Corporation's Board of Directors, reasonably interfere with the exercise of a member's independent judgment.
- (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 their 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) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- (c) 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
- (d) an understanding of internal controls and procedures for financial reporting.

See "Directors and Officers" above for further details.

Audit Committee Oversight

The Audit Committee was established on December 4, 2017 and will, among other things, make recommendations to the Board of Directors to nominate or compensate an external auditor. As of the date of this Prospectus, the Audit Committee has not made any such recommendations for the Board to consider.

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 exemptions in Sections 2.4, 3.2, 3.4, 3.5, 3.6 or Part 8 of NI 52-110, or an exemption from subsections 3.3(2) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board of Directors to review the performance of the Corporation's external auditors and approve in advance the 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 engaged 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

As of the date of this Prospectus, the Corporation has not compensated any external auditors for audit and non-audit related services provided to the Corporation.

Corporate Governance

General

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

The Board is comprised of three (3) directors, of whom Marc-Andre Lavoie and Jean Rainville are independent for the purposes of NI 58-101. Jean-François Perras is a member of the Corporation's management and is not independent as he serves as President and Chief Executive Officer of the Corporation.

At this time, the Board of Directors does not have a Chairman. In the absence of a Chairman, and in accordance with the articles of the Corporation, the President of the Corporation is responsible for presiding over all meetings of the directors and shareholders. He is not an independent director; however, the independent directors either have significant experience as directors and officers of publicly traded companies or as members of the financial investment community and, therefore, do not require the guidance of an independent Chairman of the Board in exercising their duties.

The independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. In order to facilitate open and candid discussion among independent directors, directors are encouraged to regularly and independently confer amongst themselves. Additionally, when a matter being considered involves a director, that director does not vote on the matter.

Directorships

Certain of the Corporation's directors are also currently directors of other reporting issuers as follows:

| Name | Reporting Issuer | Market |
|-------------------|-------------------------|---------------|
| Marc-André Lavoie | Canuc Resources Inc. | TSXV |
| Jean Rainville | Niobay Metals Inc. | TSXV |

Board Mandate

The Board of Directors has not adopted a written mandate or code delineating the Board's roles and responsibilities, since it believes it is adequately governed by the requirements of applicable corporate and securities common and statute law which provide that the Board has responsibility for the stewardship of the Corporation. That stewardship includes responsibility for strategic planning, identification of the principal risks of the Corporation's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Corporation's internal control and management information systems.

Orientation and Continuing Education

When new directors are appointed they receive orientation, commensurate with their previous experience, on the Corporation's business, assets and industry and on the responsibilities of directors. Meetings of the Board 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 members of the Board.

Ethical Business Conduct

The Board of Directors has not adopted a formal code of business conduct and ethics. 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 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 Corporation.

Other Board Committees

The Board has no committee other than the Audit Committee.

Assessments

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

PLAN OF DISTRIBUTION

This offering consists of a Minimum Offering of 1,750,000 Units and a Maximum Offering of 5,000,000 Units at a price of \$0.20 per Unit, to raise gross minimum proceeds of \$350,000, and gross maximum proceeds of \$1,000,000. The offering will be conducted through the Agent in the provinces of Québec, Ontario and British Columbia.

Pursuant to the Agency Agreement, the Corporation has engaged the Agent as its exclusive agent for the purposes of the Offering. The Offering Price and terms of the Offering were established through negotiation between the Corporation and the Agent, in accordance with the policies of the Exchange. 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 Québec, Ontario and British Columbia. This Prospectus qualifies the distribution of the Units to Subscribers in those jurisdictions. The Agent may 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 Agent's Fee or Agent's Options derived from this Offering.

The Agent may terminate its obligations under the Agency Agreement by notice in writing to the Corporation at any time before the Closing if, on the basis of its assessment of the state of the financial markets or the market for the Units is such that they cannot be marketed profitably or upon the occurrence of certain other stated events. The Agent may also terminate its obligations under the Agency Agreement at any time upon the occurrence of certain events, such as the breach of any term of the Agency Agreement by the Corporation.

The Agency Agreement provides that if the Agent exercises its right to terminate the Agency Agreement, then the Corporation will immediately issue a press release setting out particulars of the termination.

The Corporation has agreed to pay the Agent i) an Agent's Fee equal to 10% of the aggregate gross proceeds of the Offering and, if applicable, the Over-Allotment Option; and ii) a cash Corporate Finance Fee of \$15,000 (plus applicable taxes). In addition, upon successful completion of the Offering, the Agent is entitled to receive, as part of its remuneration, Agent's Options entitling the holder thereof to purchase that number of Units equal to 10% of the number of Units issued pursuant to this Offering, and if applicable, the Over-Allotment Option. The Agent's Options will be exercisable at a price of \$0.20 per Unit for a period of 24 months from the date of Closing.

The Corporation has granted to the Agent an Over-Allotment Option exercisable, in whole or in part, at any time up to the Closing date, to sell an additional number of Units up to a maximum of 1,000,000 Units. The Over-Allotment Option and the Units issuable upon the exercise thereof are also qualified for distribution under this Prospectus.

Pursuant to NI 41-101 the aggregate number of securities which may be distributed under a prospectus to an agent as compensation must not exceed 10% of the Units offered pursuant to this Prospectus, which in the case of this Offering (and assuming the exercise of the Over-Allotment Option in full) is 600,000 securities. For the purposes of this Offering, these 600,000 securities are Qualified Compensation Securities and are qualified for distribution by this Prospectus. To the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offering and the Over-Allotment Option, those securities exceeding the 10% threshold will not be Qualified Compensation Securities, will not be qualified for distribution under this Prospectus and will be subject to a hold period in accordance with applicable securities laws.

This Offering is subject to the completion of a minimum subscription of 1,750,000 Units for gross proceeds to the Corporation of \$350,000. If the minimum subscription is not completed within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by the Agent and Subscribers, all subscription monies will be returned to Subscribers without interest or deduction, unless the Subscribers have otherwise instructed the Agent.

The Corporation intends to apply to list the Common Shares forming part of the Units offered hereunder on the CSE. Listing will be subject to the Corporation fulfilling all of the requirements of the CSE. Confirmation of the listing of the Common Shares on the Exchange as of the Closing Date is a condition of Closing.

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, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of 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.

Subscriptions for the Units will be received and 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. Upon rejection of a subscription, the subscription price and the subscription agreement will be returned to the Subscriber forthwith without interest or deduction.

In addition, this prospectus also qualifies the Units issuable upon conversion of a promissory note in the amount of \$25,000 bearing interest at the rate of 6% per annum which was issued on September 21, 2017. The note together with any interest accrued thereon will be converted into Units at the Offering price at the Closing Date. The promissory note is unsecured and, in the event where a Closing does not take place within 180 days, then the conversion price will be \$0.12 per Common Share with no warrant attached.

RISK FACTORS

The Corporation is in the business of exploring mineral properties, which is a highly speculative endeavor. A purchase of any of the securities offered hereunder involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities offered hereunder should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should evaluate carefully the following risk factors associated with an investment in the Corporation's securities prior to purchasing any of the securities offered hereunder.

Insufficient Capital

The Corporation does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Corporation will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Corporation will be successful in obtaining such additional financing; failure to do so could result in the loss or substantial dilution of the Corporation's interest in the Umex 1 Property. The Corporation's unallocated working capital will not suffice to fund the recommended Phase 2 exploration program on the Umex 1 Property and there is no assurance that the Corporation can successfully obtain additional financing to fund such Phase 2 program.

Financing Risks

The Corporation has no history of earnings and, due to the nature of its business, there can be no assurance that the Corporation will be profitable. The Corporation has paid no dividends on its Common 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 Common Shares. Even if the results of exploration are encouraging, the Corporation may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on any of its properties. 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 impossible to determine what amounts of additional funds, if any, may be required.

Limited Operating History

The Corporation has no history of earnings. There are no known commercial quantities of mineral reserves on the Umex 1 Property. The purpose of this Offering is to raise funds to carry out exploration and development on the Umex 1 Property with the objective of establishing economic quantities of mineral reserves.

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 Common 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 Common 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 Common Shares distributed hereunder will be affected by such volatility.

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

Property Interests

The Corporation does not own the mineral rights pertaining to the Umex 1 Property. Rather, it holds an option to acquire a 100% interest. There is no guarantee the Corporation will be able to raise sufficient funding in the future to explore and develop the Umex 1 Property so as to maintain its interests therein. If the Corporation loses or abandons its interest in the Umex 1 Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Corporation, whether by way of option or otherwise, should the Corporation wish to acquire any additional properties.

In the event that the Corporation acquires a 100% interest in the Umex 1 Property, there is no guarantee that title to the Umex 1 Property will not be challenged or impugned. The Corporation's mineral property interests may be subject to prior unregistered agreements or transfers or aboriginal or indigenous land claims or 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.

First Nations Land Claims

The Umex 1 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 ownership interest in the Umex 1 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 Umex 1 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 Umex 1 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 Umex 1 Property.

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover

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

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

Uninsurable Risks

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

Permits and Government Regulations

The future operations of the Corporation may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Corporation will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Umex 1 Property. The Corporation currently does not have any permits in place.

Environmental Laws and Regulations

Environmental laws and regulations may affect the operations of the Corporation. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Corporation for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, the Corporation generally relies on recognized designers and development contractors from which the Corporation will, in the first instance, seek indemnities. The Corporation intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Corporation's operations more expensive.

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.

No Commercial Ore

The Umex 1 Property on which a portion of the proceeds of the Offering is to be expended does not contain any known amounts of commercial ore.

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 effect on the Corporation and its prospects.

Fluctuating Mineral Prices

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

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 *Canada Business Corporations Act*.

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:

- (a) 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;
- (b) no commissions or other extraordinary consideration will be paid to such directors and officers; and

- (c) 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.

Dividends

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

PROMOTER

Jean-François Perras is considered to be promoter of the Corporation in that he took the initiative in reorganizing the Corporation. Mr. Perras holds a total of 373,170 (6.3%) of the Corporation's currently issued and outstanding Common Shares. See "Principal Shareholders" above for further details.

LEGAL PROCEEDINGS

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

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The directors, senior officers and principal shareholders of the Corporation, a person or Corporation that beneficially owns or controls or directs, directly or indirectly more than 10% of the Common Shares 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.

RELATIONSHIP BETWEEN THE ISSUER AND AGENT

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

AUDITORS

The auditors of the Corporation are Raymond Chabot Grant Thornton LLP, Chartered Accountants, 600 De La Gauchetière Street West, Montréal, Québec, H3B 4LS.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Corporation is Computershare Investor Services Inc., of 1500 Robert Bourassa Blvd, Montréal, Québec, H3A 1S8.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Corporation since its incorporation and that are still in effect as of the date hereof:

1. Stock Option Plan approved by the shareholders on September 12, 2017 referred to under "Options to Purchase Securities".

2. Escrow Agreement among the Corporation, Computershare and certain Principals of the Corporation made as of ■, 2017 referred to under "Escrowed Shares".
3. Agency Agreement between the Corporation and the Agent dated for reference January ■, 2018 referred to under "Plan of Distribution".
4. Umex 1 Property option agreement entered into between the Corporation and Les Ressources Tectonic Inc. dated March 31, 2017.

A copy of any material contract and the Technical Report may be inspected during the Offering 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 1080 Beaver Hall Hill, Suite 1606, Montréal, Québec, H2Z 1S8.

EXPERTS

Except as disclosed below, no person or Corporation whose profession or business gives authority to a report, valuation, statement or opinion and who is named as having prepared or certified a part of this Prospectus or as having prepared or certified a report or valuation described or included in this Prospectus holds or is to hold any beneficial or registered interest, direct or indirect, in any securities or property of the Corporation or any associate or affiliate of the Corporation.

Certain legal matters related to this Offering will be passed upon on behalf of the Corporation by Transactio Corporate Finance Lawyers LLP and by Dunton Rainville LLP on behalf of the Agent.

Geominex Inc., the author of the Technical Report on the Umex 1 Property, is independent from the Corporation within the meaning of NI 43-101.

Raymond Chabot Grant Thornton LLP, Chartered Accountants are the auditors of the Corporation and have informed the Corporation that they are independent of the Corporation in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of Quebec.

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 Québec, Ontario and British Columbia 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. In several of the provinces, 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.

FINANCIAL STATEMENTS

Attached as Schedule "B" and forming part of this Prospectus are the audited financial statements of the Corporation for the financial year ended March 31, 2017.

Attached as Schedule "C" and forming part of this Prospectus are the unaudited financial statements of the Corporation for the six-month period ended September 30, 2017.

SCHEDULE "A"

Audit Committee Charter

1. Mandate and Purpose of the Committee

The Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of M.P.V. Explorations Inc. (the "**Corporation**") is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Corporation's financial statements;
- (b) the Corporation's compliance with legal and regulatory requirements, as they relate to the Corporation's financial statements;
- (c) the qualifications, independence and performance of the Corporation's auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Corporation's internal audit function;
- (f) consideration and approval of certain related party transactions; and
- (g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2. Authority

The Committee has the authority to:

- (a) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- (b) communicate directly with the Corporation's auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

3. Composition and Expertise

The Committee shall be composed of a minimum of three members, each of whom is a director of the Corporation. The majority of the Committee's members must not be officers or employees of the Corporation or an affiliate of the Corporation.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next

annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Corporation.

The Board shall appoint one member of the Committee to act as Chairman of the Committee. If the Chairman of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

4. Meetings

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least four times per year and as many additional times as the Committee deems necessary to carry out its duties. The Chairman shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Corporation's auditor shall be given notice of every meeting of the Committee and, at the expense of the Corporation, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Corporation's auditor shall attend every meeting of the Committee held during the term of office of the Corporation's auditor.

A majority of the Committee who are not officers or employees of the Corporation or an affiliate of the Corporation shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. Business may also be transacted by the unanimous written consent resolutions of the members of the Committee, which when so approved shall be deemed to be resolutions passed at a duly called and constituted meeting of the Committee.

The Committee may invite such directors, officers and employees of the Corporation and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Corporation. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

5. Committee and Charter Review

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the Canadian Securities Exchange and shall recommend changes to the Board thereon.

6. Reporting to the Board

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

7. Duties and Responsibilities

(a) Financial Reporting

The Committee is responsible for reviewing and recommending approval to the Board of the Corporation's annual and interim financial statements, any auditor's report thereon, MD&A and related news releases, before they are published.

The Committee is also responsible for:

- (i) being satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;
- (ii) engaging the Corporation's auditor to perform a review of the interim financial statements and receiving from the Corporation's auditor a formal report on the auditor's review of such interim financial statements;
- (iii) discussing with management and the Corporation's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Corporation's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) Auditor

The Committee is responsible for recommending to the Board:

- (i) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and
- (ii) the compensation of the Corporation's auditor.

The Corporation's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Corporation's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the Corporation's auditor regarding financial reporting.

(c) Relationship with the Auditor

The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

- (i) establishing effective communication processes with management and the Corporation's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;
- (ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
- (iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
- (iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) Accounting Policies

The Committee is responsible for:

- (i) reviewing the Corporation's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;
- (ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and
- (v) discussing with management and the auditor the clarity and completeness of the Corporation's financial disclosures.

(e) Risk and Uncertainty

The Committee is responsible for reviewing, as part of its approval of the financial statements:

- (i) uncertainty notes and disclosures; and
- (ii) MD&A disclosures.

The Committee, in consultation with management, will identify the principal business risks and decide on the Corporation's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board. The Committee is then responsible for communicating and assigning to the applicable Board committee such policies for implementation and ongoing monitoring.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Corporation and how effectively they are managed or controlled.

(f) Controls and Control Deviations

The Committee is responsible for reviewing:

- (i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
- (ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

(g) Compliance with Laws and Regulations

The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Corporation's compliance with financial related laws and regulations, such as:

- (i) tax and financial reporting laws and regulations;
- (ii) legal withholdings requirements;
- (iii) environmental protection laws; and
- (iv) other matters for which directors face liability exposure.

(h) Related Party Transactions

All transactions between the Corporation and a related party (each a "related party transaction"), other than transactions entered into in the ordinary course of business, shall be presented to the Committee for consideration.

The term "related party" includes (i) all directors, officers, employees, consultants and their associates (as that term is defined in the *Securities Act* (British Columbia), as well as all entities with common directors, officers, employees and consultants (each "general related parties"), and (ii) all other individuals and entities having beneficial ownership of, or control or direction over, directly or indirectly securities of the Corporation carrying more than 10% of the voting rights attached to all of the Corporation's outstanding voting securities (each "10% shareholders").

Related party transactions involving general related parties which are not material to the Corporation require review and approval by the Committee. Related party transactions that are material to the Corporation or that involve 10% shareholders require approval by the Board, following review thereof by the Committee and the Committee providing its recommendation thereon to the Board.

8. Non-Audit Services

All non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's auditor must be pre-approved by the Committee.

9. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

The Committee is responsible for reviewing complaints and concerns that are brought to the attention of the Chairman of the Audit Committee and for ensuring that any such complaints and concerns are appropriately addressed. The Committee shall report quarterly to the Board on the status of any complaints or concerns received by the Committee.

10. Procedure For Reporting Of Fraud Or Control Weaknesses

Each employee is expected to report situations in which he or she suspects fraud or is aware of any internal control weaknesses. An employee should treat suspected fraud seriously, and ensure that the situation is brought to the attention of the Committee. In addition, weaknesses in the internal control procedures of the Corporation that may result in errors or omissions in financial information, or that create a risk of potential fraud or loss of the Corporation's assets, should be brought to the attention of both management and the Committee.

To facilitate the reporting of suspected fraud, it is the policy of Corporation that the employee (the "whistleblower") has anonymous and direct access to the Chairman of the Audit Committee. Should a new Chairman be appointed prior to the updating of this document, the current Chairman will ensure that the whistleblower is able to reach the new Chairman in a timely manner. In the event that the Chairman of the Audit Committee cannot be reached, the whistleblower should contact the Chairman of the Board.

In addition, it is the policy of the Corporation that employees concerned about reporting internal control weaknesses directly to management are able to report such weaknesses to the Committee anonymously. In this case, the employee should follow the same procedure detailed above for reporting suspected fraud.

11. Hiring Policies

The Committee is responsible for reviewing and approving the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Corporation.

SCHEDULE "C"

Financial Statements for the Periods ended March 31st 2017 and, 2016

**EXPLORATIONS M.P.V. INC. (société d'exploration)
RAPPORT FINANCIER ANNUEL
EXERCICES CLOS LES 31 MARS 2017 ET 2016**

**M.P.V. EXPLORATIONS INC. (an exploration company)
ANNUAL FINANCIAL REPORT
YEARS ENDED MARCH 31, 2017 AND 2016**

RAPPORT DE L'AUDITEUR INDÉPENDANT

INDEPENDENT AUDITOR'S REPORT

ÉTATS FINANCIERS

États de la situation financière
États de la perte nette et de la perte globale
États des variations des capitaux propres
Tableaux des flux de trésorerie
Notes aux états financiers

FINANCIAL STATEMENTS

Statements of financial position
Statements of net loss and comprehensive loss
Statements of changes in equity
Statements of cash flows
Notes to financial statements

RAPPORT DE L'AUDITEUR INDÉPENDANT

Aux actionnaires de Explorations M.P.V. Inc.,

Nous avons effectué l'audit des états financiers ci-joints de Explorations M.P.V. Inc., qui comprennent l'état de la situation financière au 31 mars 2017, l'état de la perte nette et de la perte globale, l'état des variations des capitaux propres et le tableau des flux de trésorerie pour l'exercice clos à cette date, ainsi qu'un résumé des principales méthodes comptables et d'autres informations explicatives.

Responsabilité de la direction pour les états financiers

La direction est responsable de la préparation et de la présentation fidèle de ces états financiers conformément aux Normes internationales d'information financière (« IFRS »), ainsi que du contrôle interne qu'elle considère comme nécessaire pour permettre la préparation d'états financiers exempts d'anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs.

Responsabilité des auditeurs

Notre responsabilité consiste à exprimer une opinion sur les états financiers, sur la base de notre audit. Nous avons effectué notre audit selon les normes d'audit généralement reconnues du Canada. Ces normes requièrent que nous nous conformions aux règles de déontologie et que nous planifions et réalisons l'audit de façon à obtenir l'assurance raisonnable que les états financiers ne comportent pas d'anomalies significatives.

Un audit implique la mise en œuvre de procédures en vue de recueillir des éléments probants concernant les montants et les informations fournis dans les états financiers. Le choix des procédures relève de notre jugement, et notamment de notre évaluation des risques que les états financiers comportent des

anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs. Dans l'évaluation de ces risques, nous prenons en considération le contrôle interne de

INDEPENDENT AUDITORS' REPORT

To the Shareholders of M.P.V. Explorations Inc.,

We have audited the accompanying financial statements of M.P.V. Explorations Inc., which comprise the statement of financial position as at March 31, 2017, the statement of net loss and comprehensive loss, the statement of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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 audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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

l'entité portant sur la préparation et la présentation fidèle des états financiers afin de concevoir des procédures d'audit appropriées aux circonstances, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne de l'entité. Un audit comporte également l'appréciation du caractère approprié des méthodes comptables retenues et du caractère raisonnable des estimations comptables faites par la direction, de même que l'appréciation de la présentation d'ensemble des états financiers.

Nous estimons que les éléments probants que nous avons obtenus dans le cadre de notre audit sont suffisants et appropriés pour fonder notre opinion d'audit.

Opinion

À notre avis, les états financiers donnent, dans tous leurs aspects significatifs, une image fidèle de la situation financière de Explorations M.P.V. Inc. au 31 mars 2017, ainsi que de sa performance financière et de ses flux de trésorerie pour l'exercice clos à cette date, conformément aux Normes internationales d'information financière.

Observation

Sans pour autant modifier notre opinion, nous attirons l'attention sur la note 2 des états financiers qui indique que Explorations M.P.V. Inc. est toujours au stade d'exploration, donc qu'elle n'a pas de revenus et a des flux de trésorerie négatifs provenant de son exploitation. Par conséquent, Explorations M.P.V. Inc. dépend de sa capacité à lever du financement afin de s'acquitter de ses engagements et obligations dans le cours normal de ses activités. Ces conditions, conjuguées aux autres questions exposées dans la note 2 des états financiers, indiquent l'existence d'une incertitude significative susceptible de jeter un doute important sur la capacité de Explorations M.P.V. Inc. à poursuivre son exploitation.

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 audit 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 M.P.V. Explorations Inc. as at March 31, 2017 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 in the financial statements which indicates that M.P.V. Explorations Inc. is still in the exploration stage and, as such, no revenue has been yet generated and it has negative cash flows from its operating activities. Accordingly, M.P.V. Explorations Inc. depends on its ability to raise financing in order to discharge its commitments and liabilities in the normal course of operations. These conditions, along with other matters as set forth in Note 2 in the financial statements, indicate the existence of a material uncertainty that may cast significant doubt about M.P.V. Explorations Inc.'s ability to continue as a going concern.

Informations comparatives

Sans pour autant modifier notre opinion, nous attirons l'attention sur la note 14 des états financiers, qui indique que Explorations M.P.V. Inc. a adopté les Normes internationales d'informations financières (IFRS) le 1^{er} avril 2016 et que sa date de transition était le 1^{er} avril 2015. Ces normes ont été appliquées rétrospectivement par la direction aux informations comparatives contenues dans ces états financiers, y compris les états de la situation financière au 31 mars 2016 et au 1^{er} avril 2015 et l'état de la perte nette et de la perte globale, l'état des variations des capitaux propres et le tableau des flux de trésorerie au 31 mars 2016 ainsi que les informations connexes. Nous n'avons pas pour mission de faire rapport sur les informations comparatives retraitées, de sorte qu'elles n'ont pas été auditées.

1

Le 30 août 2017
Montréal, Canada

¹ CPA auditeur, CA permis de comptabilité publique no. A115879

Comparative Information

Without modifying our opinion, we draw your attention to Note 14 to the financial statements, which describes that M.P.V. Explorations Inc. adopted International Financial Reporting Standards (IFRS) on April 1, 2016 with a transition date of April 1, 2015. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at March 31, 2016 and April 1, 2015 and the statement of net loss and comprehensive loss, the statement of changes in equity and the statement of cash flows for the year ended March 31, 2016 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.

1

August 30, 2017
Montréal, Canada

¹ CPA auditor, CA public accountancy permit no. A115879

Explorations M.P.V. Inc.

(Une société d'exploration)

États de la situation financière**Exercices clos le 31 mars**

(en dollars canadien)

M.P.V. Explorations Inc.

(An Exploration Company)

Statements of financial position**Years ended March 31**

(in Canadian dollars)

| | 31 mars / March 31, 2017 (audité / audited) \$ | 31 mars / March 31, 2016 (non audité / unaudited) \$ | 1 avril / April 1, 2015 (non audité / unaudited) \$ | |
|--|---|---|--|---|
| ACTIFS | | | | ASSETS |
| Actifs courants | | | | Current assets |
| Encaisse | 17 660 | 19 693 | 53 477 | Cash |
| Prêt à des particuliers – intérêt de 5 % | - | 20 000 | - | Loan to individuals – interest of 5% |
| Autres débiteurs | 1 341 | 597 | 479 | Other receivables |
| Taxes à recevoir | 112 | 72 | 351 | Taxes receivable |
| | 19 113 | 40 362 | 54 307 | |
| Actifs non courants | | | | Non-current assets |
| Prêt à recevoir de Biomoss Carbon ULC, intérêt de 5 %, échéant en mai 2018 | 25 000 | - | - | Loan receivable from Biomoss Carbon ULC, interest of 5%, maturing in May 2018 |
| Placement (note 6) | - | 5 000 | - | Investment (Note 6) |
| Actifs de prospection et d'évaluation (note 7) | 15 000 | - | - | Exploration and evaluation assets (Note 7) |
| | 40 000 | 5 000 | - | |
| Total des actifs | 59 113 | 45 362 | 54 307 | Total assets |
| PASSIFS | | | | LIABILITIES |
| Passifs courants | | | | Current liabilities |
| Créditeurs et charges à payer | 16 073 | 463 | 546 | Accounts payable and accrued liabilities |
| Total des passifs | 16 073 | 463 | 546 | Total liabilities |
| CAPITAUX PROPRES | | | | EQUITY |
| Capital-social (note 8) | 162 420 | 162 420 | 162 420 | Share capital (Note 8) |
| Déficit cumulé | (119 380) | (117 521) | (108 659) | Cumulated deficit |
| Total des capitaux propres | 43 040 | 44 899 | 53 761 | Total equity |
| Total des passifs et des capitaux propres | 59 113 | 45 362 | 54 307 | Total liabilities and equity |

POUR LE CONSEIL D'ADMINISTRATION / ON BEHALF OF THE BOARD,

Les notes complémentaires font partie intégrante des états financiers. / The accompanying notes are an integral part of the financial statements.
 Les états financiers ont été approuvés et autorisés pour publication par le conseil d'administration le 30 août 2017. / These financial statements were approved and authorized for issue by the Board of Directors on August 30, 2017.

(s) Jean Rainville, Administrateur – Director

Explorations M.P.V. Inc.

(Une société d'exploration)

**États de la perte nette
et de la perte globale**

(en dollars canadien)

M.P.V. Explorations Inc.

(An Exploration Company)

**Statements of net loss
and comprehensive loss**

(in Canadian dollars)

| | 2017 (audité / audited) \$ | 2016 (non audité / unaudited) \$ | |
|---|-------------------------------------|---|--|
| CHARGES | | | EXPENSES |
| Honoraires professionnels et de consultants | 2 499 | 7 533 | Professional and consultant fees |
| Autres charges | <u>583</u> | <u>1 447</u> | Other expenses |
| | <u>3 082</u> | <u>8 980</u> | |
| AUTRES | | | OTHERS |
| Revenus d'intérêts | <u>1 223</u> | <u>118</u> | Interests income |
| PERTE NETTE ET PERTE GLOBALE | <u><u>1 859</u></u> | <u><u>8 862</u></u> | NET LOSS AND COMPREHENSIVE LOSS |

Les notes complémentaires font partie intégrante des états financiers. / The accompanying notes are an integral part of the financial statements.

Explorations M.P.V. Inc.

(Une société d'exploration)

M.P.V. Explorations Inc.

(An Exploration Company)

Etats des variations des capitaux propres**Statements of changes in equity**

(en dollars canadien)

(in Canadian dollars)

| | Capital- social / Share capital | Déficit / Deficit | Capitaux propres / Total equity | |
|--|---------------------------------------|----------------------|------------------------------------|--|
| | \$ | \$ | \$ | |
| Solde au 1^{er} avril 2015 (non audité) | 162 420 | (108 659) | 53 761 | Balance, April 1, 2015 (unaudited) |
| Perte nette et perte globale pour l'exercice | - | (8 862) | (8 862) | Net loss and comprehensive loss for the year |
| Solde au 31 mars 2016 (non audité) | 162 420 | (117 521) | 44 899 | Balance, March 31, 2016 (unaudited) |
| Solde au 31 mars 2016 (non audité) | 162 420 | (117 521) | 44 899 | Balance, March 31, 2016 (unaudited) |
| Perte nette et perte globale pour l'exercice | - | (1 859) | (1 859) | Net loss and comprehensive loss for the year |
| Solde au 31 mars 2017 (audité) | 162 420 | (119 380) | 43 040 | Balance, March 31, 2017 (audited) |

Les notes complémentaires font partie intégrante des états financiers. / The accompanying notes are an integral part of the financial statements.

Explorations M.P.V. Inc.

(Une société d'exploration)

Tableaux des flux de trésorerie
Exercices clos le 31 mars

(en dollars canadien)

M.P.V. Explorations Inc.

(An Exploration Company)

Statements of cash flows
Years ended March 31

(in Canadian dollars)

| | 2017 (audité / audited) | 2016 (non audité / unaudited) | |
|---|-------------------------------|-------------------------------------|---|
| | \$ | \$ | |
| ACTIVITÉS OPÉRATIONNELLES | | | OPERATING ACTIVITIES |
| Perte nette | (1 859) | (8 862) | Net loss |
| Variation nette des éléments hors caisse du fonds de roulement (note 10) | (174) | 78 | Net change in non-cash operating working capital items (Note 10) |
| Flux de trésorerie liés aux activités opérationnelles | (2 033) | (8 784) | Cash flows related to operating activities |
| ACTIVITÉS D'INVESTISSEMENT | | | |
| Placement | - | (5 000) | Investment |
| Prêt à des particuliers | - | (20 000) | Loan to individuals |
| Flux de trésorerie liés aux activités d'investissement | - | (25 000) | Cash flows related to investment activities |
| VARIATION DE L'ENCAISSE | (2 033) | (33 784) | CASH VARIATION |
| ENCAISSE AU DÉBUT DE L'EXERCICE | 19 693 | 53 477 | CASH, BEGINNING OF YEAR |
| ENCAISSE À LA FIN DE L'EXERCICE | 17 660 | 19 693 | CASH, END OF YEAR |

Voir note 10 pour les transactions non monétaires et les informations additionnelles au flux de trésorerie. / See Note 10 for non-cash transactions and supplemental disclosure with respect to cash flows.

Les notes complémentaires font partie intégrante des états financiers. / The accompanying notes are an integral part of the financial statements.

Explorations M.P.V. Inc.

(Une société d'exploration)

États de la situation financière

Exercices clos le 31 mars

(en dollars canadien)

M.P.V. Explorations Inc.

(An Exploration Company)

Statements of financial position

Years ended March 31

(in Canadian dollars)

1- STATUTS CONSTITUTIFS ET NATURE DES ACTIVITÉS 1-

Explorations M.P.V. Inc. (« MPV ») ou la (« Société »), constituée en vertu de la *Loi canadienne sur les sociétés par actions*, est une société d'exploration minière dont les activités se situent au Canada. Le siège social de la Société est situé au 1080, Côte du Beaver Hall, bureau 1606, Montréal, Québec, H2Z 1S8.

2- CONTINUITÉ DE L'EXPLOITATION

La Société n'a pas encore déterminé si ses propriétés minières renferment des réserves de minerai pouvant être exploitées économiquement. La prospection et la mise en valeur de gisements de minéraux impliquent d'importants risques financiers. Le succès de la Société dépendra d'un certain nombre de facteurs, entre autres, les risques liés à l'exploration et à l'extraction, les questions relatives à la réglementation ainsi que les règlements en matière d'environnement et autres règlements.

Les états financiers ont été dressés par la Société sur la base de la continuité de l'exploitation laquelle prévoit que la Société sera en mesure de réaliser ses actifs et régler ses passifs à leurs échéances dans le cours normal de ses activités.

Pour l'exercice clos le 31 mars 2017, la Société a enregistré une perte nette de 1 859 \$ (8 862 \$ en 2016) et a des flux de trésorerie négatifs liés aux activités opérationnelles de 2 033 \$ (8 724 \$ en 2016). De plus, au 31 mars 2017, la Société a un déficit cumulé de 119 380 \$ (117 521 \$ en 2016). Celle-ci étant au stade de la prospection, elle n'a pas généré de revenu ni de flux de trésorerie provenant de son exploitation. Conséquemment, la direction cherche périodiquement à obtenir du financement sous forme d'émission d'actions afin de poursuivre ses activités et malgré le fait qu'elle y soit parvenue dans le passé, il n'y a aucune garantie de réussite pour l'avenir. Si la direction ne parvenait pas à obtenir de nouveaux fonds, la Société pourrait alors être dans l'incapacité de poursuivre ses activités, et les montants réalisés à titre d'actifs pourraient être moins élevés que les montants inscrits dans les présents états financiers.

1- STATUTE OF INCORPORATION AND NATURE OF ACTIVITIES

M.P.V. Explorations Inc. ("MPV") or the ("Company"), incorporated under the *Business Canadian Corporations Act*, is a mining exploration company operating in Canada. The address of the Company's head office and registered office is 1080, Cote du Beaver Hall, Suite 1606, Montreal, Quebec, H2Z 1S8.

2- GOING CONCERN

The Company has not yet determined whether the mining properties have economically recoverable ore reserves. The exploration and development of mineral deposits involves significant financial risks. The success of the Company will be influenced by a number of factors, including exploration and extraction risks, regulatory issues, environmental regulations and other regulations.

The financial statements have been prepared by the Company on a going concern basis, meaning that the Company will be able to realize its assets and settle its liabilities in the normal course of business as they come due.

For the year ended March 31, 2017, the Company recorded a net loss of \$1,859 (\$8,862 in 2016) and has negative cash flows from operations of \$2,033 (\$8,724 in 2016). In addition, as at March 31, 2017, the Company has a cumulated deficit of \$119,380 (\$117,521 in 2016). The Company is still in exploration stage and, as such, no revenue no cash flow has been yet generated from its operating activities. Consequently, management periodically seeks financing through the issuance of shares to continue its operations, and despite the fact that it has been able in the past, there is no guarantee of success for the future. If management is unable to obtain new funding, the Company may be unable to continue its operation, and amounts realized for assets may be less than amounts reflected in these financial statements.

Explorations M.P.V. Inc.

(Une société d'exploration)

États de la situation financière Exercices clos le 31 mars

(en dollars canadien)

M.P.V. Explorations Inc.

(An Exploration Company)

Statements of financial position Years ended March 31

(in Canadian dollars)

2- CONTINUITÉ DE L'EXPLOITATION (suite)

Bien que la direction ait pris des mesures pour vérifier le droit de propriété concernant les propriétés minières dans lesquelles la Société détient une participation, conformément aux normes de l'industrie visant la phase courante d'exploration de ces propriétés, ces procédures ne garantissent pas le titre de propriété à la Société. Le titre de propriété peut être assujéti à des accords antérieurs non reconnus et ne pas être conforme aux exigences en matière de réglementation.

Ces conditions indiquent l'existence d'une incertitude significative susceptible de jeter un doute important sur la capacité de la Société à poursuivre son exploitation.

En mai 2017, la Société a complété deux placements privés pour un montant total de 111 600 \$, dont les détails sont fournis à la note 15.

Les états financiers ci-joints ne tiennent pas compte des ajustements qui devraient être effectués à la valeur comptable des actifs et des passifs, aux montants présentés au titre des produits et des charges et au classement des postes de l'état de la situation financière si l'hypothèse de la continuité de l'exploitation n'était pas fondée. Ces ajustements pourraient être importants.

3- DÉCLARATION DE CONFORMITÉ AUX IFRS

Les états financiers de la Société ont été établis conformément aux Normes internationales d'information financières (« IFRS »).

Ces méthodes comptables ont été utilisées pour tous les exercices présentés dans les états financiers, sauf lorsque la Société a appliqué certaines méthodes comptables et exemptions au moment de la transition aux IFRS. Les exemptions appliquées par la Société et les effets de la transition aux IFRS sont présentés à la note 14.

2- GOING CONCERN (continued)

Although management has taken steps to verify titles of the mining properties in which the Company holds an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's property title. Property title may be subject to unregistered prior agreements and non-compliant with regulatory requirements.

These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

In May 2017, the Company has completed two private placements for a total amount of \$111,600, see details in Note 15.

The accompanying financial statements do not reflect the adjustments to the carrying value of assets and liabilities, the reported revenues and expenses and statement of financial position classification that would be necessary if the going concern assumption would not be appropriate. These adjustments could be material.

3- STATEMENT OF COMPLIANCE WITH IFRS

The financial statements have been prepared in accordance with the International Financial Reporting Standard ("IFRS").

These accounting policies have been used for all years presented in the financial statements, except when the Company applied certain accounting policies and exemptions upon transition to IFRS. The exemptions applied by the Company and the effects of transition to IFRS are disclosed in Note 14.

Explorations M.P.V. Inc.

(Une société d'exploration)

États de la situation financière

Exercices clos le 31 mars

(en dollars canadien)

M.P.V. Explorations Inc.

(An Exploration Company)

Statements of financial position

Years ended March 31

(in Canadian dollars)

4- NORMES, MODIFICATIONS ET INTERPRÉTATIONS DE NORMES PUBLIÉES QUI NE SONT PAS ENCORE EN VIGUEUR ET QUI N'ONT PAS ÉTÉ ADOPTÉES DE FAÇON ANTICIPÉE PAR LA SOCIÉTÉ

À la date d'autorisation de ces états financiers, de nouvelles normes et interprétations de normes existantes et de nouvelles modifications ont été publiées, mais ne sont pas encore en vigueur, et la Société ne les a pas adoptées de façon anticipée.

La direction prévoit que l'ensemble des prises de position sera adopté dans les méthodes comptables de la Société au cours de la période débutant après la date d'entrée en vigueur de chaque prise de position. L'information sur les nouvelles normes, interprétations et les nouvelles modifications, qui sont susceptibles d'être pertinentes pour les états financiers de la Société, est fournie ci-dessous. Certaines autres nouvelles normes et interprétations ont été publiées, mais on ne s'attend pas à ce qu'elles aient une incidence importante sur les états financiers de la Société.

IFRS 9, *Instruments financiers*

En juillet 2014, l'IASB a publié IFRS 9 laquelle remplace IAS 39 Instruments financiers : comptabilisation et évaluation. IFRS 9 introduit des améliorations comprenant un modèle plus logique de classification et d'évaluation des actifs financiers, un modèle unique de dépréciation plus prospectif, fondé sur les pertes de crédit attendues et un modèle de comptabilité de couverture substantiellement modifié. Cette norme s'applique aux exercices ouverts à compter du 1er janvier 2018, l'adoption anticipée étant permise. La direction ne prévoit pas d'incidence importante sur ses états financiers découlant de cette norme.

4- STANDARDS, AMENDMENTS AND INTERPRETATIONS TO EXISTING STANDARDS THAT ARE NOT YET EFFECTIVE AND HAVE NOTE BEEN ADOPTED EARLY BY THE COMPANY

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

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

IFRS 9 *Financial Instruments*

In July 2014, the IASB published IFRS 9 which replaces IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 introduces improvements which include a logical model for classification and measurement of financial assets, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018. Earlier application is permitted. Management does not expect a material impact on its financial statements arising from this standard.

Explorations M.P.V. Inc.

(Une société d'exploration)

États de la situation financière

Exercices clos le 31 mars

(en dollars canadien)

M.P.V. Explorations Inc.

(An Exploration Company)

Statements of financial position

Years ended March 31

(in Canadian dollars)

5- PRINCIPALES MÉTHODES COMPTABLES

Présentation des états financiers conformément à l'IAS 1

Les états financiers sont présentés conformément à l'IAS 1, *Présentation des états financiers*. La Société a décidé de présenter l'état du résultat global en un seul état.

Conformément à l'IFRS 1, *Première application des Normes internationales d'information financière*, la Société présente trois états de la situation financière dans ses premiers états financiers IFRS. Pour les exercices subséquents conformément à l'IAS 1, la Société présentera deux exercices comparatifs pour l'état de la situation financière lorsqu'il : i) procède à l'application rétrospective d'une méthode comptable, ii) effectue un retraitement rétrospectif dans ses états financiers, ou iii) reclasse des éléments dans ses états financiers.

Généralités et première application des IFRS

Les états financiers ont été préparés selon les méthodes comptables énoncées par les IFRS en vigueur à la fin de la période de présentation de l'information financière (31 mars 2017). Les principales méthodes comptables ayant servi à la préparation des présents états financiers sont résumées ci-dessous.

Base d'évaluation

Les états financiers ont été préparés au coût historique.

Monnaie fonctionnel et de présentation

La monnaie de présentation et fonctionnelle de la Société est le dollar canadien.

Crédit d'impôt à recevoir

La Société a droit à des crédits d'impôt remboursables sur les frais de prospection admissibles engagés et à des crédits de droits remboursables selon la Loi sur l'impôt minier. Ces crédits d'impôt sont comptabilisés en réduction des dépenses de prospection engagées et en fonction des estimations de la direction. La Société comptabilise ces crédits d'impôt lorsqu'il existe une assurance raisonnable que les crédits seront recouvrés et accordés et que la Société respectera les conditions connexes.

5- SIGNIFICANT ACCOUNTING POLICIES

Presentation of financial statements in accordance with IAS 1

The financial statement are presented in accordance with IAS 1, *Presentation of Financial Statements*. The Company has decided to present the statement of comprehensive income in a single statement.

In accordance with IFRS 1, *First Time Adoption of International Financial Reporting Standards*, the Company has three statements of financial position in its first IFRS financial statements. For subsequent fiscal years, in accordance with IAS 1, the Company will present two comparative periods for the statement of financial position when: i) conducts retrospective application of an accounting policy, ii) makes a retrospective application of an accounting policy, or iii) reclassifies items in its financial statements.

Overall consideration and first-time application of IFRS

The financial statements have been prepared using accounting policies set out by IFRS effective at the end of the reporting date for submission of financial information (March 31, 2017). The significant accounting policies used in preparing these financial statements are summarized below.

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Functional and presentation currency

The functional and reporting currency of the Company is the Canadian dollar.

Tax credits receivable

The Company is entitled to a refundable tax credit on qualified exploration expenditures incurred and refundable credit on duties for losses under the Mining Tax Act. These tax credits are recognized as a reduction of the exploration costs incurred based on estimates made by management. The Company records these tax credits when there is reasonable assurance with regards to collections and assessments and that the Company will comply with the conditions associated to them.

Explorations M.P.V. Inc.

(Une société d'exploration)

États de la situation financière

Exercices clos le 31 mars

(en dollars canadien)

M.P.V. Explorations Inc.

(An Exploration Company)

Statements of financial position

Years ended March 31

(in Canadian dollars)

5- PRINCIPALES MÉTHODES COMPTABLES (suite)

Dépenses de prospection et d'évaluation et actifs de prospection et d'évaluation

Les dépenses de prospection et d'évaluation sont les coûts engagés dans la recherche initiale de ressources minérales avant que la faisabilité technique et la viabilité commerciale de l'extraction ne soient démontrables. Les coûts engagés avant l'acquisition des servitudes légales de prospection et d'évaluation sont comptabilisés en résultat net au moment où ils sont engagés.

Lorsque les servitudes légales de prospection et d'évaluation ont été obtenues, tous les coûts liés à l'acquisition des droits miniers, les options d'acquiescer de tels droits (convention d'options) et les dépenses liées à la prospection et à l'évaluation des propriétés minières, diminués des crédits d'impôt liés à ces dépenses, sont comptabilisés en actifs de prospection et d'évaluation. Les dépenses liées à la prospection et à l'évaluation qui sont capitalisées incluent notamment les études topographiques, géologiques, géochimiques et géophysiques, les forages d'exploration, le creusement de tranchées, l'échantillonnage ainsi que les activités en liaison avec l'évaluation de la faisabilité technique et de la viabilité commerciale de l'extraction d'une ressource minérale. Les différents coûts sont incorporés au coût de l'actif de prospection et d'évaluation, propriété minière par propriété minière, jusqu'à ce que la faisabilité technique et la viabilité commerciale de l'extraction d'une ressource minérale soient démontrées. Ces actifs sont comptabilisés en tant qu'immobilisations incorporelles et sont présentés au coût moins le cumul des pertes de valeur. Aucune charge d'amortissement n'est comptabilisée pour ces actifs durant la phase de prospection et d'évaluation.

S'il était établi que la viabilité d'une propriété minière n'est pas assurée ou si la propriété minière était abandonnée, le montant capitalisé serait réduit à sa valeur recouvrable, l'écart étant alors comptabilisé immédiatement en résultat net.

Si la faisabilité technique et la viabilité commerciale de l'extraction d'une ressource minérale peuvent être démontrées, les actifs de prospection et d'évaluation liés à la propriété minière correspondante sont alors transférés dans les immobilisations corporelles dans la catégorie Actifs miniers en construction. Avant le transfert, les actifs de prospection et d'évaluation doivent être soumis à un test de dépréciation et toute perte de valeur doit être comptabilisée en résultat net avant le reclassement.

5- SIGNIFICANT ACCOUNTING POLICIES (continued)

Exploration and evaluation expenditures, and exploration and evaluation assets

Exploration and evaluation expenditures are costs incurred in the course of the initial search of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.

Once the legal right to undertake exploration and evaluation activities has been obtained, all costs of acquiring mineral rights or options to acquire such rights (option agreement), expenses related to the exploration and evaluation of mining properties, less refundable tax credits related to these expenses, are recognized as exploration and evaluation assets. Expenses related to exploration and evaluation include topographical, geological, geochemical and geophysical studies, exploration drilling, trenching, sampling and other costs related to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource. The various costs are capitalized on a property-by-property basis pending determination of the technical feasibility and commercial viability of extracting a mineral resource. These assets are recognized as intangible assets and are carried at cost less any accumulated impairment losses. No depreciation expenses are recognized for these assets during the exploration and evaluation phase.

Whenever a mining property is considered no longer viable, or is abandoned, the capitalized amounts are written down to their recoverable amounts; the difference is then immediately recognized in profit and loss.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in Mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit and loss before reclassification.

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5- PRINCIPALES MÉTHODES COMPTABLES (suite)

Dépenses de prospection et d'évaluation et actifs de prospection et d'évaluation (suite)

Jusqu'à maintenant, aucune faisabilité technique ni aucune viabilité commerciale de l'extraction d'une ressource minérale n'a été démontrée.

Bien que la Société ait pris des mesures conformes aux pratiques de l'industrie pour le stade d'exploration actuel de telles propriétés afin d'obtenir les titres de propriété des propriétés minières dans lesquelles il détient un intérêt financier, ces procédures ne garantissent toutefois pas la validité du titre de propriété. Les titres de propriété des propriétés minières peuvent être assujettis à des ententes préalables non enregistrées et au non-respect de dispositions réglementaires.

Dépréciation des actifs de prospection et d'évaluation

Aux fins d'évaluation de la dépréciation, les actifs sont regroupés aux niveaux les plus bas générant des entrées de trésorerie largement indépendantes (unités génératrices de trésorerie). Par conséquent, certains actifs sont soumis individuellement à un test de dépréciation, tandis que d'autres sont testés au niveau d'une unité génératrice de trésorerie.

Tous les actifs individuels ou unités génératrices de trésorerie sont soumis à un test de dépréciation lorsque des événements ou des changements de circonstances indiquent que leur valeur comptable pourrait ne pas être recouvrable.

Des tests de dépréciation des actifs de prospection et d'évaluation sont effectués projet par projet, chaque projet représentant une seule unité génératrice de trésorerie. Un test de dépréciation est effectué lorsque les indicateurs de dépréciation l'indiquent, mais généralement lorsqu'une de ces circonstances se présente :

- Le droit de prospection dans la zone spécifique expire ou expirera dans un proche avenir et il n'est pas prévu qu'il soit renouvelé; -
- Aucune dépense de prospection et d'évaluation ultérieure dans la zone spécifique n'est prévue au budget ni planifiée;
- Aucune découverte de ressources n'est commercialement viable et la Société a décidé de cesser l'exploration dans la zone spécifique;
- Un travail suffisant a été réalisé afin d'indiquer que la valeur comptable de la dépense comptabilisée en actif ne sera pas entièrement récupérée.

5- SIGNIFICANT ACCOUNTING POLICIES (continued)

Exploration and evaluation expenditures, and exploration and evaluation assets (continued)

To date, neither the technical feasibility nor the commercial viability of extracting a mineral resource has been demonstrated.

Although the Company has taken steps to verify title to the mining properties in which it holds an interest, in accordance with industry practices for the current stage of exploration and development of such properties, these procedures do not guarantee the validity of the Company's titles. Property titles may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Impairment of exploration and evaluation assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or cash-generating unit is reviewed for impairment.

Impairment reviews for exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

- The right to explore the areas has expired or will expire in the near future with no expectation of renewal;
- No further exploration or evaluation expenditures in the area are planned or budgeted;
- No commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area;
- Sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

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Dépréciation des actifs de prospection et d'évaluation (suite)

De plus, si la faisabilité technique et la viabilité commerciale de l'extraction d'une ressource minérale peuvent être démontrées, les actifs de prospection et d'évaluation liés à la propriété minière correspondante doivent être soumis à un test de dépréciation avant d'être transférés dans les immobilisations corporelles.

Une perte de valeur égale au montant par lequel la valeur comptable d'un actif ou d'une unité génératrice de trésorerie excède sa valeur recouvrable est comptabilisée en résultat net. La valeur recouvrable d'un actif ou d'une unité génératrice de trésorerie est la plus élevée de sa juste valeur moins les coûts de sa vente, et de sa valeur d'utilité.

Une perte de valeur peut être reprise si la valeur recouvrable d'un actif ou d'une unité génératrice de trésorerie excède sa valeur comptable.

Capital-social

Le capital-social représente le montant reçu à l'émission des actions.

Actions accréditives

L'émission d'actions accréditives constitue en substance une émission d'actions ordinaires et la vente d'un droit à des déductions fiscales au profit des investisseurs. Au moment de l'émission des actions accréditives, la vente du droit aux déductions fiscales est différée et comptabilisée, le cas échéant, dans l'autre passif à l'état de la situation financière. Les produits des émissions d'actions accréditives sont répartis entre les actions et l'autre passif au moyen de la méthode résiduelle. Les produits sont d'abord imputés aux actions en fonction du cours de la Bourse à la date de l'émission et le montant résiduel est alloué à l'autre passif.

Lorsque les dépenses admissibles ont été engagées et que la Société a renoncé ou à l'intention de renoncer à son droit aux déductions fiscales, le montant comptabilisé à l'autre passif est renversé et comptabilisé en résultat net en déduction de la charge d'impôt différé.

Lorsque les dépenses admissibles ont été engagées et que la Société a renoncé ou à l'intention de renoncer à son droit aux déductions fiscales, le montant comptabilisé à l'autre passif est renversé et comptabilisé en résultat net en déduction de la charge d'impôt différé.

5- SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of exploration and evaluation assets (continued)

Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are tested for impairment before these items are transferred to property and equipment.

An impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

An impairment loss is reversed when the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

Share capital

Share capital represents the amount received on the issue.

Flow-through shares

Issuance of flow-through shares represents an issue of ordinary shares and the sale of the right to tax deductions to the investors. When the flow-through shares are issued, the sale of the right to tax deductions is deferred and presented in other liability in the statement of financial position. The proceeds received from flow-through shares are allocated between share and, if any, the other liability using the residual method. Proceeds are first allocated to shares according to the quoted price of existing shares at the time of issuance and the residual proceeds is allocated to the other liability.

The other liability recorded is reversed on renouncement of the right to tax deductions to the investors or when the Company has the intention to renounce of tax deductions to the investors and when eligible expenses are incurred and recognized in profit or loss in reduction of deferred income taxes expense.

The other liability recorded is reversed on renouncement of the right to tax deductions to the investors or when the Company has the intention to renounce of tax deductions to the investors and when eligible expenses are incurred and recognized in profit or loss in reduction of deferred income taxes expense.

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Frais d'émission d'actions

Les frais d'émission d'actions sont comptabilisés en augmentation du déficit de l'exercice au cours duquel ils sont engagés.

Autres éléments des capitaux propres

Le déficit comprend l'ensemble des profits et pertes non distribués de l'exercice en cours et des exercices antérieurs.

Instruments financiers

Comptabilisation, évaluation initiale et décomptabilisation

Les actifs et les passifs financiers sont comptabilisés lorsque la Société devient une partie aux dispositions contractuelles de l'instrument financier et sont initialement évalués à leur juste valeur ajustée des coûts de transaction. L'évaluation ultérieure des actifs et des passifs financiers est décrite ci-après.

Les actifs financiers sont décomptabilisés lorsque les droits contractuels sur les flux de trésorerie liés à l'actif financier arrivent à expiration, ou lorsque l'actif financier et tous les risques et avantages importants sont transférés. Un passif financier est décomptabilisé en cas d'extinction, de résiliation, d'annulation ou d'expiration.

Classement et évaluation ultérieure des actifs financiers

Actifs financiers

Aux fins de l'évaluation ultérieure, les actifs financiers de la Société sont classés dans les catégories suivantes au moment de la comptabilisation initiale :

- Prêts et créances
- Actifs financiers disponibles à la vente

La catégorie détermine la méthode d'évaluation ultérieure et la comptabilisation soit en résultat, soit en autres éléments du résultat global des produits et des charges qui en résulteront. Tous les produits et charges se rapportant aux actifs financiers comptabilisés en résultat sont présentés dans les Charges financières ou les Revenus d'intérêts, le cas échéant.

5- SIGNIFICANT ACCOUNTING POLICIES (continued)

Share Issuance Expenses

Share issuance expenses are recorded as an increase to the deficit in the year in which they are incurred

Other elements of equity

Deficit includes all current and prior year retained profits or losses.

Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transactions costs. The subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Financial assets

For the purpose of subsequent measurement, financial assets of the Company are classified into the following categories upon initial recognition:

- Loans and receivables
- Available-for-sale financial assets

The category determines subsequent measurement, and whether any resulting income and expenses is recognized in profit or loss or in other comprehensive income. All income and expenses relating to financial assets that are recognized in profit or loss are presented within Finance costs or Interests Income, if any.

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Classement et évaluation ultérieure des actifs financiers (suite)

Tous les actifs financiers sont examinés pour la dépréciation au moins à chaque date de clôture afin de déterminer s'il existe des indications objectives qu'un actif financier ou un groupe d'actifs financiers a subi une perte de valeur.

Prêts et créances

Les prêts et créances sont des actifs financiers non dérivés assortis de paiements fixes ou déterminables qui ne sont pas cotés sur un marché actif. Ils sont classés dans les actifs courants ou non courants selon leur date d'échéance.

Les prêts et créances sont comptabilisés au coût amorti déduction faite des pertes de valeur. La perte de valeur liée aux créances est basée sur une analyse des montants à recevoir à la fin de l'exercice. Le revenu d'intérêt est comptabilisé en appliquant le taux d'intérêt effectif, à l'exception des sommes à recevoir à court terme, où l'intérêt perçu ne serait pas significatif. L'encaisse, le prêt à des particuliers, les autres débiteurs ainsi que le prêt à recevoir font partie de cette catégorie d'actifs financiers.

Actifs financiers disponibles à la vente

Le placement est présenté comme des actifs financiers disponibles à la vente. Ils sont initialement comptabilisés à la juste valeur plus tout coût directement attribuable à la transaction. Postérieurement à la comptabilisation initiale, ils sont évalués à la juste valeur et toute variation de juste valeur, autre qu'une dépréciation, est comptabilisée dans les autres éléments du résultat global et présentée dans les capitaux propres sous cumul des autres éléments du résultat global.

Lorsqu'un placement est décomptabilisé, le gain ou la perte cumulé(e) dans les autres éléments du résultat global est transféré(e) dans les résultats. Le placement a été initialement comptabilisé à la juste valeur et il est ensuite évalué au coût puisque la juste valeur ne peut être déterminée de façon fiable.

5- SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification and subsequent measurement of financial assets (continued)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date.

They are carried at amortized cost less any impairment. The impairment loss of receivables is based on a review of all outstanding amounts at year-end. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would not be material. The Company's cash, loan to individuals, other receivables and loan receivable fall into this category of financial assets.

Available-for-sale financial assets

Investment is classified as available-for-sale financial assets. They are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognized in other comprehensive income and presented within equity in accumulated other comprehensive income.

When investment is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss. Investment was initially recorded at fair value and subsequently measured at cost as fair value cannot be reliably determined.

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Classement et évaluation ultérieure des actifs financiers (suite)

Évaluation à la juste valeur des instruments financiers

Dans l'établissement de la juste valeur, la Société utilise la hiérarchie de la juste valeur selon les trois niveaux tels que définis ci-dessous:

Niveau 1 : les instruments financiers sont définis comme des données observables, telles que les prix cotés (non ajustés) sur des marchés actifs;

Niveau 2 : les instruments financiers sont définis comme les données autres que les prix cotés visés au Niveau 1 et ils sont directement ou indirectement observables;

Niveau 3 : les instruments financiers sont définis comme des données non observables basées sur peu ou pas de données existantes sur le marché, exigeant donc que la Société développe ses propres hypothèses.

La Société classe ses passifs financiers dans la catégorie passifs financiers au coût amorti.

Passifs financiers au coût amorti

Les passifs financiers sont des instruments non dérivés et sont initialement comptabilisés à la juste valeur, déduction faite des frais de transaction engagés, puis sont par la suite comptabilisés au coût amorti.

Les passifs financiers sont classés dans les passifs courants ou non courants selon leur date d'échéance. Les passifs financiers de la Société comprennent les créditeurs et charges à payer.

Impôts sur le résultat

La charge d'impôts sur les bénéfices représente les impôts exigibles et les impôts différés. La Société comptabilise les impôts exigibles en fonction des bénéfices imposables pour l'exercice, lesquels sont calculés en utilisant les taux d'imposition qui sont en vigueur ou pratiquement en vigueur à la date de l'état de la situation financière. Toutefois, puisque la Société est en phase d'exploration et qu'il n'y a pas de bénéfice imposable, la charge d'impôt comptabilisée en perte nette ne correspond présentement qu'à de l'impôt différé.

5- SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification and subsequent measurement of financial assets (continued)

Fair value of financial instruments

In establishing fair value, the Company uses a fair value hierarchy based on levels as defined below:

Level 1: defined as observable inputs such as quoted prices (unadjusted) in active markets;

Level 2: defined as inputs other than quoted prices included in Level 1, that are either directly or indirectly observable;

Level 3: defined as inputs that are based on little or no observable market data, therefore requiring entities to develop its own assumptions.

The Company classifies its financial liabilities in the category financial liabilities at amortized cost.

Financial liabilities at amortized cost

Financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost.

Financial liabilities are classified as current or non-current based on their maturity date. Financial liabilities of the Company include accounts payable and accrued liabilities.

Income taxes

Income tax expense represents current tax and deferred tax. The Company records current tax based on the taxable profits for the year, which is calculated using tax rates that have been enacted or substantively enacted by the reporting date. However, since the Company is in exploration phase and has no taxable income, tax expense recognized in profit or loss is currently comprised only of deferred tax.

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Impôts sur le résultat (suite)

Les impôts sur les bénéfices différés sont comptabilisés en utilisant la méthode du passif fiscal qui requiert que les impôts sur les bénéfices reflètent l'impact fiscal prévu dans l'avenir des écarts temporaires entre la valeur comptable des actifs et des passifs et leur valeur fiscale. Les actifs et les passifs d'impôts différés sont déterminés pour chaque écart temporaire basé sur les taux d'imposition en vigueur ou pratiquement en vigueur qui devraient s'appliquer au moment où les éléments sous-jacents des charges ou des recouvrements d'impôts devraient être réalisés. L'impact d'un changement au niveau du taux d'imposition ou du régime fiscal est comptabilisé au cours de l'exercice où il entre en vigueur. Les actifs d'impôts différés, comme les reports de pertes autres qu'en capital ou la différence temporaire déductible sous-jacente, sont comptabilisés dans la mesure où il est probable que des bénéfices imposables seront disponibles et contre lesquels les actifs pourront être utilisés. L'évaluation repose sur la prévision des résultats opérationnels futurs de la Société ajustés pour tenir compte des produits et des charges non imposables importants et de limites particulières sur l'utilisation de toute perte fiscale ou tout crédit d'impôt inutilisés. Les passifs d'impôt différés sont toujours comptabilisés en entier.

Les actifs ou les passifs d'impôt différé sont compensés uniquement lorsque la Société a le droit et l'intention de compenser les actifs ou les passifs d'impôt exigible découlant des mêmes administrations fiscales.

Les variations des actifs ou les passifs sont comptabilisés en perte nette à titre de charge d'impôt différé, sauf si elles concernent des éléments qui ont été comptabilisés en autres éléments de la perte globale ou directement en capitaux propres, auquel cas l'impôt différé correspondant est également comptabilisé en autres éléments de la perte globale ou en capitaux propres, respectivement.

Provisions et passifs éventuels

Des provisions sont comptabilisées lorsqu'il y a une obligation juridique ou implicite résultant d'événements passés, qu'il est probable qu'un déboursé de ressources sera requis pour régler l'obligation, et que le montant de l'obligation peut être évalué de façon fiable. Les provisions sont évaluées à la valeur actuelle des dépenses prévues pour régler l'obligation.

5- SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes (continued)

Deferred income taxes are accounted for using the liability method that requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are determined for each temporary difference based on currently enacted or substantially enacted tax rates that are expected to be in effect when the underlying items of income or expense are expected to be realized. The effect of a change in tax rates or tax legislation is recognized in the year of substantive enactment. Deferred tax assets, such as non-capital loss carry-forwards or deductible temporary difference, are recognized to the extent it is probable that taxable profit will be available against which the asset can be utilized. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention of set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred income tax expense in profit or loss, except where they are relate to items that are recognized in other comprehensive loss or directly in equity, in which case the related deferred tax is also recognized in other comprehensive loss or equity, respectively.

Provisions and contingent liabilities

Provision are recognized where a legal or constructive obligation has been incurred as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

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Information sectorielle

La Société exerce actuellement ses activités dans un seul secteur, soit l'acquisition, la prospection et la mise en valeur de propriétés minières. Toutes les activités de la Société sont menées au Canada.

Jugements, estimations et hypothèses comptables significatifs

Lorsqu'elle prépare ses états financiers, la direction pose un certain nombre de jugements, d'estimations et d'hypothèses quant à la comptabilisation et à l'évaluation des actifs, des passifs, des produits et des charges.

Jugements posés par la direction

L'information sur les jugements qui ont la plus grande incidence sur la comptabilisation et l'évaluation des actifs, des passifs, des produits et des charges est présentée ci-après.

Comptabilisation des actifs d'impôt différé et évaluation de la charge d'impôt sur le résultat

La direction évalue régulièrement les probabilités que ses actifs d'impôt différé ne se réalisent pas. Dans le cadre de cette évaluation, la direction doit déterminer s'il est probable que la Société génère ultérieurement un bénéfice imposable suffisant auquel ces pertes pourront être imputées pendant la période de report. De par sa nature, cette évaluation requiert une grande part de jugement. À ce jour, la direction n'a comptabilisé aucun actif d'impôt différé en excédent des différences temporaires imposables existantes, qui sont censées s'inverser durant la période de report.

Les actifs d'impôt différé sont comptabilisés dans la mesure où il est probable que la perte fiscale ou la différence temporaire déductible sous-jacente permettra de compenser un bénéfice imposable futur. L'évaluation repose sur la prévision des résultats opérationnels futurs de la Société, ajustés pour tenir compte des produits et des charges non imposables importants et de limites particulières sur l'utilisation de toute perte fiscale ou tout crédit d'impôts inutilisés.

5- SIGNIFICANT ACCOUNTING POLICIES (continued)

Segment Disclosure

The Company currently operates in a single segment: the acquisition, exploration and development of mining properties. All of the Company's activities are conducted in Canada.

Significant accounting judgments, estimates and assumptions

When preparing its financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

Significant management judgments

Information about critical judgments that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

Recognition of deferred income tax assets and measurement on income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss of deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

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5- PRINCIPALES MÉTHODES COMPTABLES (suite)

Jugements, estimations et hypothèses comptables significatifs (suite)

Continuité d'exploitation

L'évaluation de la capacité de la Société de poursuivre sur une base de continuité d'exploitation, d'obtenir suffisamment de fonds pour couvrir ses dépenses d'opérations en cours, de remplir ses obligations pour l'année à venir, et d'obtenir du financement pour les programmes d'exploration et d'évaluation prévus, implique une grande part de jugement basé sur l'expérience passée et sur d'autres facteurs, incluant la probabilité d'événements futurs qui sont considérés comme raisonnables en tenant compte des circonstances. Se reporter à la note 2 pour de plus amples informations.

Source d'incertitude relative aux estimations

L'information sur les estimations et les hypothèses significatives qui ont la plus grande incidence sur la comptabilisation et l'évaluation des actifs, des passifs, des produits et des charges est présentée ci-après. Les résultats réels peuvent différer significativement.

Dépréciation des actifs de prospection et d'évaluation

L'évaluation des faits et circonstances démontrant l'existence d'un quelconque indice qu'un actif a pu se déprécier ou reprendre de la valeur est un processus subjectif qui implique du jugement et souvent un certain nombre d'estimations et d'hypothèses (se reporter à la note Dépréciation des actifs de prospection et d'évaluation ci-haut).

S'il existe un indice qu'un actif a pu se déprécier ou reprendre de la valeur, la valeur recouvrable de l'actif pris individuellement ou de l'unité génératrice de trésorerie doit être estimée.

En évaluant la dépréciation, la Société doit procéder à certaines estimations et hypothèses concernant les circonstances futures, en particulier sur la faisabilité technique et la démontrabilité de la viabilité commerciale de l'extraction, la probabilité que les dépenses seront récupérées par l'exploitation future de la propriété ou la cession de la propriété lorsque les activités n'ont pas atteint un stade suffisant pour permettre l'évaluation de l'existence de réserve, la capacité de la Société d'obtenir le financement nécessaire afin de compléter l'exploration et le développement, et le renouvellement des permis.

5- SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgments, estimates and assumptions (continued)

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. See Note 2 for more information.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below. Actual results may be substantially different.

Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and assumptions in any cases (see Note Impairment of exploration and evaluation assets above).

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount the individual asset or the cash-generating units must be estimated.

In assessing impairment, the Company must make some estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either future exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits.

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5- PRINCIPALES MÉTHODES COMPTABLES (suite)

Jugements, estimations et hypothèses comptables significatifs (suite)

Dépréciation des actifs de prospection et d'évaluation (suite)

Les estimations et hypothèses peuvent changer si de nouvelles informations deviennent disponibles. Si, après la capitalisation des dépenses de prospection et d'évaluation, des informations suggèrent que le recouvrement des dépenses est improbable, les montants capitalisés sont radiés dans l'exercice où l'information devient disponible.

Aucune perte de valeur n'a été comptabilisée pour les périodes considérées.

Crédit d'impôt à recevoir

Le calcul des crédits d'impôt remboursables sur les frais de prospection admissible engagés et des crédits de droits remboursables implique un certain degré d'estimation et de jugement en ce qui a trait à certains éléments dont le traitement fiscal ne peut être déterminé avec certitude jusqu'à ce qu'un avis de cotisation et qu'un paiement aient été émis par les autorités fiscales dont ils relèvent et qu'un paiement ait été reçu. Des écarts entre le résultat réel suivant la résolution finale de certains de ces éléments et les hypothèses retenues pourraient nécessiter des ajustements aux crédits d'impôt remboursables et aux crédits de droits remboursables, aux actifs de prospection et d'évaluation, et aux charges d'impôt sur le résultat lors d'exercices futurs.

6- PLACEMENT

| | 2017 audité / audited |
|---|-----------------------------|
| Société privée | \$ |
| 25 % actions ordinaires de Lakson International Development Inc. ⁽¹⁾ | - |

- (1) Le 10 mai 2016, la Société a échangé le prêt de 20 000 \$ à des particuliers ainsi que le placement dans de 5 000 \$ dans Lakson International Development Inc. contre un prêt de 25 000 \$ portant intérêt au taux de 5 % et échéant en mai 2018.

5- SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgments, estimates and assumptions (continued)

Impairment of exploration and evaluation assets (continued)

Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

No impairment was recognized for the reporting periods.

The calculation of the Company's refundable tax credits on qualified exploration expenditure incurred and refundable tax credits involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until notice of assessments and payments have been issued from the relevant taxation authority and a payment have been received. Differences arising between the actual results following final resolution of some of these items and the assumptions made could necessitate adjustments to the refundable tax credit and refundable tax credit, exploration and evaluation assets, and income tax expense in future periods.

6- INVESTMENT

| | 2016 (non audité / unaudited) | |
|--|-------------------------------------|---|
| | \$ | Private company |
| | 5 000 | 25% common shares of Lakson International Development Inc. ⁽¹⁾ |

- (1) On May 10, 2016, the Company exchanged the \$20,000 loan to individuals and the investment in Lakson International Development Inc. of \$5,000 against a \$25,000 loan bearing interest at a rate of 5% and maturing in May 2018.

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7- ACTIFS DE PROSPECTION ET D'ÉVALUATION

| | 2017 audité / audited |
|---------------------|-----------------------------|
| | \$ |
| Propriétés minières | <u>15 000</u> |

Québec**Propriété Umex**

Le 31 mars 2017, la Société a signé une entente d'option afin d'acquérir 100 % de la propriété Umex 1 située dans la région Abitibi Est à 40 km à l'ouest de la Ville de Chapais et 88 km à l'ouest de la Ville de Chibougamau. La Société doit verser 15 000 \$ à la signature de l'entente. Ce montant est inscrit dans les crédettes et charges à payer au 31 mars 2017. La Société devra également verser :

- Avant le premier anniversaire de l'entente un montant additionnel de 25 000 \$ et engager un minimum de 50 000 \$ en travaux d'exploration;
- Avant le deuxième anniversaire de l'entente un montant additionnel de 50 000 \$ et engager un minimum de 100 000 \$ en travaux d'exploration;
- Avant le troisième anniversaire de l'entente un montant additionnel de 75 000 \$ et engager un minimum de 150 000 \$ en travaux d'exploration;
- Avant le quatrième anniversaire de l'entente un montant additionnel de 135 000 \$ et engager un minimum de 200 000 \$ en travaux d'exploration.

La propriété est sujette à une redevance de 2 % sur les produits nets de fonderie dont 1 % pourra être racheté pour la somme de 1 500 000 \$.

7- EXPLORATION AND VALUATION ASSETS

| | 2016 (non audité / unaudited) |
|--|-------------------------------------|
| | \$ |
| | <u>-</u> |

Mining properties

Quebec**Umex 1 Property**

On March 31, 2017, the Company signed an option agreement to acquire 100% of the property Umex which is located in the eastern Abitibi region, 40 km west of the Town of Chapais and 88 km west of the Town of Chibougamau. The Company is required to pay \$15,000 upon signing the agreement. This amount is recorded in accounts payable and accrued liabilities as at March 31, 2017. The Company will also have to incur:

- On or before the first anniversary of the agreement, pay an additional sum of \$25,000 and incur exploration expenditures in a minimum of \$50,000 ;
- On or before the second anniversary of the agreement, pay an additional sum of \$50,000 and incur exploration expenditures in a minimum of \$100,000 ;
- On or before the third anniversary of the agreement, pay an additional sum of \$75,000 and incur exploration expenditures in a minimum of \$150,000 ;
- On or before the fourth anniversary of the agreement, pay an additional sum of \$135,000 and incur exploration expenditures in a minimum of \$200,000.

The property is subject to a 2% NSR, half of which can be bought back for \$1,500,000.

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8- CAPITAL-SOCIAL

Autorisé / Authorized

Nombre illimité d'actions ordinaires sans valeur nominale / Unlimited number of common shares without par value

Les mouvements dans le capital-social de la Société se détaillent comme suit : / Changes in the Company's share capital were as follows:

| | 2017 (audité / audited) | | 2016 (non audité / unaudited) | | |
|-------------------------------------|----------------------------|---------------------------|----------------------------------|---------------------------|-----------------------------------|
| | Quantité / Number | Montant / Amount \$ | Quantité / Number | Montant / Amount \$ | |
| Solde au début de l'exercice | 2 417 250 | 162 420 | 2 417 250 | 162 420 | Balance, beginning of year |
| Solde à la fin de l'exercice | 2 417 250 | 162 420 | 2 417 250 | 162 420 | Balance, end of year |

8- SHARE CAPITAL**9- IMPÔTS SUR LE RÉSULTAT ET IMPÔTS MINIERES DIFFÉRÉS****Rapprochement du taux d'imposition effectif**

La dépense (recouvrement) d'impôt attribuable aux résultats diffère des montants calculés par l'application du taux d'imposition combiné fédéral et provincial de 26,80 % (26,90 % en 2016) à la perte avant impôt en raison des éléments suivants :

| | 2017 (audité / audited) |
|--|----------------------------|
| | \$ |
| Perte nette | 1 859 |
| Recouvrement d'impôt prévu | (498) |
| Pertes fiscales inutilisées sur lesquelles aucun impôt différé n'est reconnu | 498 |
| Recouvrement d'impôts sur les bénéfices | - |

Actifs d'impôt différé non comptabilisés

| | 2017 (audité / audited) |
|---------------------------------------|----------------------------|
| | \$ |
| Pertes autres qu'en capital reportées | 34 602 |

9- DEFERRED INCOME TAXES AND MINING TAXES**Reconciliation of effective tax rate**

Income tax expense (recovery) differs from the amounts computed by applying the combined federal and provincial income tax rate of 26.80% (26.90% in 2016) to the loss before taxes for the following reasons:

| | 2016 (non audité / unaudited) | |
|---|----------------------------------|--|
| | \$ | |
| Net loss | 8 862 | |
| Expected tax recovery | (2 384) | |
| Unused tax losses for which no deferred taxes were recognized | 2 384 | |
| Income tax recovery | - | |

Unrecognized deferred tax assets

| | 2016 (non audité / unaudited) | |
|-----------------------------------|----------------------------------|--|
| | \$ | |
| Non-capital losses carry-forwards | 32 726 | |

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**9- IMPÔTS SUR LE RÉSULTAT ET IMPÔTS MINIERES
DIFFÉRÉS (suite)**

Les actifs d'impôts différés n'ont pas été comptabilisés au titre de ces éléments, car il n'est pas probable qu'un bénéfice imposable futur sera disponible et sur lequel la Société pourra tirer des bénéfices. Les pertes en capital n'expireront pas en vertu de la législation fiscale actuelle.

Les pertes autres qu'en capital expirent comme suit :

| | Fédéral / Federal | Provincial |
|------|----------------------|---------------|
| | \$ | \$ |
| 2031 | 552 | 552 |
| 2032 | 5 865 | 5 865 |
| 2033 | 7 999 | 7 999 |
| 2034 | 3 858 | 10 |
| 2035 | 5 877 | 3 591 |
| 2036 | 8 575 | 8 024 |
| 2037 | 1 876 | 1 689 |
| | <u>34 602</u> | <u>27 730</u> |

**9- DEFERRED INCOME TAXES AND MINING TAXES
(continued)**

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise benefits therefrom. The capital losses do not expire under current tax legislation.

The non-capital losses expire as follows:

**10- RENSEIGNEMENTS COMPLÉMENTAIRES AUX
FLUX DE TRÉSORERIE**

Variation nette des éléments hors caisse du fonds de roulement :

| | 2017 (audité / audited) |
|-------------------------------|----------------------------|
| | \$ |
| Autres débiteurs | (744) |
| Taxes à recevoir | (40) |
| Créditeurs et charges à payer | 610 |
| | <u>(174)</u> |

**10- COMPLEMENTARY INFORMATION RELATED TO
CASH FLOWS**

Net change in non-cash operating working capital items:

| | 2016 (non audité / unaudited) | |
|--|-------------------------------------|--|
| | \$ | |
| | (118) | Other receivables |
| | 279 | Taxes receivable |
| | (83) | Accounts payable and accrued liabilities |
| | <u>78</u> | |

11- OPÉRATIONS ENTRE PARTIES LIÉES**Transactions avec les principaux dirigeants et les
membres du conseil d'administration**

Au cours de l'exercice, la Société a engagé 449 \$ (533 \$ en 2016) en honoraires professionnels et de consultants auprès de la secrétaire corporative de la Société. Les créanciers et les charges à payer incluent un montant de 263 \$ (463 \$ en 2016) relativement à ces transactions.

11- RELATED PARTY TRANSACTIONS**Transactions with Key Executives and with members of
the Board of Directors**

During the year, the Company incurred \$449 (\$533 in 2016) in professional and consultant fees with the corporate secretary of the Company. Accounts payable and accrued liabilities include an amount of \$263 (\$463 in 2016) in relation with these transactions.

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11- OPÉRATIONS ENTRE PARTIES LIÉES (suite)

Au cours de l'exercice, la Société a engagé 1 500 \$ (6 000 \$ en 2016) en honoraires professionnels et de consultants auprès du président. Les créanciers et les charges à payer incluent un montant de 810 \$ (nul en 2016) relativement à ces transactions.

Ces opérations sont conclues dans le cours normal des activités de la Société et sont mesurées en fonction de leur valeur d'échange, soit le montant de la contrepartie convenue entre les parties aux accords.

12- POLITIQUES EN MATIÈRE DE GESTION DES RISQUES FINANCIERS

Les activités de la Société sont exposées à divers risques financiers : le risque de change, le risque de crédit et le risque de liquidité.

a) Risque de marché

i) Risque de prix

Le risque de prix est le risque que la valeur des instruments financiers fluctue en raison des variations des conditions du marché (autres que celles découlant du risque de taux d'intérêt ou du risque de change), que ces variations soient causées par des facteurs propres aux titres négociables, ou des facteurs touchant tous les titres négociés sur le marché. Le risque de prix est négligeable concernant le placement.

b) Risque de crédit

Le risque de crédit est le risque qu'une partie à un instrument financier manque à l'une de ses obligations et amène de ce fait l'autre partie à subir une perte financière. La valeur comptable de l'encaisse, du prêt à des particuliers, des autres débiteurs et du prêt à recevoir représente l'exposition maximale de la Société face au risque de crédit. Le risque de crédit sur l'encaisse est limité puisque les parties contractantes sont des sociétés ayant des cotes de crédit élevées attribuées par des agences de crédit internationales.

Les autres débiteurs sont constitués d'intérêts courus à recevoir et l'exposition de la Société au risque de crédit est considérée comme limitée. La Société effectue un suivi continu des défaillances des contreparties. Aucune provision pour pertes n'a été comptabilisée pour les périodes présentées.

11- RELATED PARTY TRANSACTIONS (continued)

During the year, the Company incurred \$1,500 (\$6,000 in 2016) in professional and consultant fees with its president. Accounts payable and accrued liabilities include an amount of \$810 (nil in 2016) in relation with these transactions.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed by the related parties.

12- FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities are exposed to financial risks: market risk, credit risk and liquidity risk.

a) Market risk

i) Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market conditions (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the marketable securities, or factors affecting all marketable securities. Price risk is negligible regarding the investment.

b) Credit risk

Credit risk is the risk that one party to a financial instrument fails to meet its obligation and causes the other party to incur a financial loss. The carrying value of cash, the loan to individuals, other receivables and loan receivable represents the Company's maximum exposure to credit risk. The credit risk on cash is limited because the contracting parties are entities with high credit ratings assigned by international credit-rating agencies.

Other receivables consist of accrued interest receivable and the Company's exposure to credit risk is considered to be limited. The Company monitors the default of counterparties on an ongoing basis. No provision for losses was recognized for the periods presented.

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12- POLITIQUES EN MATIÈRE DE GESTION DES RISQUES FINANCIERS (suite)

La direction de la Société estime que la qualité du crédit de tous les actifs financiers décrits ci-dessus qui ne sont pas dépréciés ou en souffrance, à chaque date de présentation de l'information financière, est bonne.

c) Risque de taux d'intérêt

Le risque de taux d'intérêt s'entend du risque que les instruments financiers de la Société fluctuent en raison des taux d'intérêt. La Société est exposée au risque de la juste valeur de son placement temporaire à taux fixe. Puisque cet actif financier est comptabilisé au coût non amorti, les variations de la juste valeur n'ont aucun impact sur le résultat net.

d) Risque de liquidité

Le risque de liquidité est le risque qu'une entité éprouve des difficultés à honorer des engagements liés à des passifs financiers. La gestion du risque de liquidité vise à maintenir un montant suffisant d'encaisse et à s'assurer que la Société dispose de sources de financement suffisantes. La Société établit des prévisions budgétaires afin de s'assurer qu'elle dispose des fonds nécessaires pour rencontrer ses obligations.

La Société aura besoin de financement supplémentaire important à court terme et à long terme afin de s'acquitter de ses engagements et obligations. Il existe une incertitude quant à la capacité de la Société à obtenir un tel financement et par conséquent, à s'acquitter de ses obligations relatives aux créditeurs et charges à payer. Se reporter à la note 2.

Juste valeur

La juste valeur du prêt à recevoir est estimée en utilisant une approche de flux de trésorerie actualisés, qui consiste à actualiser les flux de trésorerie contractuels en utilisant un taux d'actualisation dérivé de taux d'intérêts observables sur le marché rattachés à des prêts semblables ayant des risques similaires. La juste valeur calculée se rapproche de la valeur comptable.

12- FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Management believes that the credit quality of all financial assets described above that are not impaired or delinquent on each reporting date is good.

c) Interest rate risk

Interest rate risk is the exposure of the Company financial instruments to fluctuations in interest rates. The Company is exposed to a risk of fair value on its fixed rate temporary investment. Since this financial asset is carried at amortized cost, changes in fair value have no impact on profit or loss.

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities. Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has sufficient financing sources. The Company establishes budgets to ensure it has the necessary funds to fulfill its obligations.

The Company will need significant additional funding in the near and long term in order to discharge its commitments and liabilities. There is uncertainty as to the ability of the Company to obtain such funding and therefore to discharge its obligations in terms of its accounts payable and accrued liabilities. See Note 2.

Fair value

The fair value of the loan receivable is estimated using a discounted cash flow approach which consists of discounting contractual cash flows using a discount rate derived from observable market interest rates attached to similar loans with similar risks. The calculated fair value approximates the carrying amount.

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13- POLITIQUES ET PROCÉDURES DE GESTION DU CAPITAL

Au 31 mars 2017, le capital de la Société est constitué des capitaux propres qui se chiffrent à 43 040 \$. L'objectif de gestion du capital de la Société est de s'assurer qu'elle dispose d'un capital suffisant pour rencontrer ses obligations pour son plan de développement minier et de prospection et ainsi assurer la croissance de ses activités. Elle a également pour objectif de s'assurer qu'elle dispose de suffisamment de liquidités pour financer ses frais de prospection et d'évaluation, ses activités d'investissement et ses besoins en fonds de roulement. Il n'y a pas eu de changement significatif concernant l'approche de politique de gestion du capital au cours de l'exercice clos le 31 mars 2017.

14- PREMIÈRE APPLICATION DES IFRS

Ces états sont les premiers états financiers de la Société préparés conformément aux IFRS. La date de transition aux IFRS est le 1^{er} avril 2015.

Avant la transition vers les normes IFRS, les états financiers de la Société ont été préparés en utilisant les principes comptables généralement reconnus du Canada en vigueur avant la transition aux normes IFRS, ci-après appelés les « normes comptables en vigueur avant le basculement » ou « le référentiel comptable antérieur ».

Les méthodes comptables IFRS de la Société présentées à la note 5 ont été utilisées dans la préparation des états financiers pour l'exercice clos le 31 mars 2017, l'information comparative et le premier état de la situation financière à la date de transition.

La Société a mis en application IFRS 1 pour préparer ces premiers états financiers IFRS. L'incidence de la transition aux IFRS sur les capitaux propres, la perte globale totale et les flux de trésorerie déjà établis est décrite dans cette note et est expliquée plus en détail dans les notes qui accompagnent les tableaux.

Première application – exemptions applicables

Lors de la transition, la norme IFRS 1 prévoit certaines exceptions obligatoires et autorise certaines exemptions facultatives à l'application rétrospective complète. Les exceptions et les exemptions adoptées par la Société sont énoncées ci-dessous :

13- POLICIES AND PROCESSES FOR MANAGING CAPITAL

As at March 31, 2017, the capital of the Company consisted of equity amounting to \$43,040. The Company's capital management objective is to have sufficient capital to be able to meet its exploration and mining development plan in order to ensure the growth of its activities. It also has the objective to have sufficient cash to finance its exploration and evaluation expenses, investing activities and working capital requirements. There were no significant changes in the Company's approach to capital management during the year ended March 31, 2017.

14- FIRST-TIME ADOPTION OF IFRS

These are the first financial statements of the Company prepared in accordance with IFRS. The date of transition to IFRS is April 1, 2015.

Before the transition to IFRS, the Company's financial statements were prepared using Canadian generally accepted accounting principles effective before the transition to IFRS, hereinafter "pre-change accounting standards" or "previous GAAP".

The Company's IFRS accounting policies presented in Note 5 have been applied in preparing the financial statements for the reporting period ended March 31, 2017, the comparative information and the opening statement of financial position at the date of transition.

The Company has applied IFRS 1 in preparing these first IFRS financial statements. The effects of the transition to IFRS on equity, total comprehensive loss and reported cash flows are presented in this section and are further explained in the notes that accompany the tables.

First-time adoption – exemptions applied

Upon transition, IFRS 1 dictates certain mandatory exceptions and certain optional exemptions from full retrospective application. The exceptions and exemptions adopted by the Company are set out below:

Explorations M.P.V. Inc.

(Une société d'exploration)

États de la situation financière

Exercices clos le 31 mars

(en dollars canadien)

M.P.V. Explorations Inc.

(An Exploration Company)

Statements of financial position

Years ended March 31

(in Canadian dollars)

14- PREMIÈRE APPLICATION DES IFRS (suite)

Exceptions obligatoires

Les estimations établies selon les IFRS par la Société à la date de transition aux IFRS sont cohérentes avec les estimations établies à la même date selon les normes comptables en vigueur avant le basculement, après les ajustements destinés à refléter toute différence entre les méthodes comptables, le cas échéant.

Les actifs et les passifs financiers qui ont été décomptabilisés avant le 1^{er} avril 2015 selon les normes comptables en vigueur avant le basculement n'ont pas été comptabilisés selon les IFRS. La Société a appliqué par anticipation la modification de l'IFRS 1 à ce sujet en ce qui concerne la date d'application de l'exception, soit le 1^{er} avril 2015.

Rapprochement des capitaux propres, de la perte globale et les différences de présentation

Puisqu'il s'agit des premiers états financiers présentés par la Société, les montants des capitaux propres à la date de transition et au 31 mars 2016 ainsi que la perte globale pour l'exercice financier se terminant le 31 mars 2016 n'ont pas subi de modifications significatives. De plus, la présentation des états financiers selon les IFRS n'a pas engendré d'incidence sur la perte nette présentée ou le total des capitaux propres.

15- ÉVÈNEMENTS SUBSÉQUENTS

En mai 2017, la Société a clôturé un placement privé de 46 unités. Chaque unité est composée de 7 500 actions ordinaires à un prix de 0,12 \$ par action, pour une contrepartie monétaire totale de 41 400 \$.

En mai 2017, la Société a clôturé un placement privé de 117 unités d'actions accréditatives. Chaque unité est composée de 4 000 actions ordinaires accréditatives à un prix de 0,15 \$ par action, pour une contrepartie monétaire totale de 70 200 \$.

14- FIRST-TIME ADOPTION OF IFRS (continued)

Mandatory exceptions

The estimates established by the Company in accordance with IFRS at the date of transition are consistent with estimates made for the same date in accordance with pre-change accounting standards, after adjustments to reflect any difference in accounting principles, if applicable.

Financial assets and liabilities that were derecognized before April 1, 2015 under pre-change accounting standard were not recognized under IFRS. The Company has early applied the change in IFRS 1 in this respect regarding the application date of the exception, i.e. April 1, 2015.

Reconciliation of equity, comprehensive loss and presentation differences

As these are the first financial statements presented by the Company, the amounts of equity at the transition date and at March 31, 2016 and the comprehensive loss for the fiscal year ending March 31, 2016, have not incur significant changes. In addition, the presentation of the financial statements in accordance with IFRS did not have an impact on the reported net loss or total equity.

15- SUBSEQUENT EVENTS

In May 2017, the Company closed a private placement of 46 units. Each unit is comprised of 7,500 common shares at a price of \$0.12 per share, for total gross proceeds of \$41,400.

In May 2017, the Company closed a private placement of 117 units of flow-through common shares. Each unit is comprise of 4,000 flow-through common shares at a price of \$0.15 per share, for total gross proceeds of \$70,200.

Explorations M.P.V. Inc.

(Une société d'exploration)

États de la situation financière Exercices clos le 31 mars

(en dollars canadien)

M.P.V. Explorations Inc.

(An Exploration Company)

Statements of financial position Years ended March 31

(in Canadian dollars)

15- ÉVÈNEMENTS SUBSÉQUENTS (suite)

En juillet 2017, la Société a signé une lettre d'engagement avec Leede Jones Gable (« Agent ») en tant qu'agent exclusif pour le premier appel public à l'épargne (« Entente ») d'unités d'actions ordinaires. Lors de l'acceptation de la présente Entente, la Société devra verser à l'Agent des frais de financement de 10 000 \$, dont 5 000 \$ ne seront pas remboursables et seront payables à la réception de la lettre d'engagement (condition respectée). Le 5 000 \$ restant sera payable à la date de clôture. La Société versera à l'Agent une commission en espèces égale à 10% du produit brut de l'offre à la date de clôture. La Société émettra à l'Agent des options non transférables égale à 10 % du montant des unités émis de la trésorerie, exerçables au prix de 0,20 \$ l'unité pour une période de 24 mois à compter de la date de clôture. La Société sera également responsable de payer les honoraires juridiques engagés par Leede Jones Gable jusqu'à concurrence de 20 000 \$ plus les décaissements et les taxes applicables.

15- SUBSEQUENT EVENTS (continued)

In July 2017, the Company signed an engagement letter with Leede Jones Gable ("Agent") as exclusive agent for the initial public offering ("Agreement") of common share units. Upon the acceptance of this Agreement, the Company will pay to the Agent a corporate finance fee of \$10,000 of which \$5,000 will be non-refundable and payable upon the acceptance of this engagement letter (condition fulfilled). The remaining \$5,000 will be payable on the closing date. The Company will pay to the Agent a cash commission equal to 10% of the gross proceed of the offering on the closing date. The Company will issue to the Agent a non-transferable options for the purchase of that number of units issued from treasury of the Company equal to 10% exercisable at a price of \$0.20 per unit for a period of 24 months from the closing date. The Company will also be responsible for the legal costs incurred by Leede Jones Gable up to a maximum of \$20,000 plus disbursements and applicable taxes.

SCHEDULE "C"

Financial Statements for the six-month period ended September 30, 2017

EXPLORATIONS M.P.V. INC. (société d'exploration)
ÉTATS FINANCIERS INTERMÉDIAIRES RÉSUMÉS
PÉRIODE DE SIX CLOSE LE 30 SEPTEMBRE 2017
(Deuxième trimestre)
(Non audités)

M.P.V. EXPLORATIONS INC. (an exploration company)
CONDENSED INTERIM FINANCIAL STATEMENTS
SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2017
(Second quarter)
(Unaudited)

ÉTATS FINANCIERS NON AUDITÉS

États intermédiaires résumés de la situation financière
États intermédiaires résumés du bénéfice (perte) net(te)
et du bénéfice (perte) global(e)
États intermédiaires des variations des capitaux propres résumés
Tableaux intermédiaires des flux de trésorerie résumés
Notes aux états financiers intermédiaires résumés

UNAUDITED FINANCIAL STATEMENTS

Condensed interim statements of financial position
Condensed interim statements of net income (loss)
and comprehensive income (loss)
Condensed interim statements of changes in equity
Condensed interim statements of cash flows
Notes to condensed interim financial statements

Explorations M.P.V. Inc.

(Une société d'exploration)

**États intermédiaires résumés
de la situation financière**

(en dollars canadiens)

M.P.V. Explorations Inc.

(An Exploration Company)

**Condensed interim statements
of Financial Position**

(in Canadian dollars)

| | 30 septembre / September 30, 2017 (Non audité / unaudited) | 31 mars / March 31, 2017 (Audité / Audited) | |
|---|--|---|--|
| ACTIFS | \$ | \$ | ASSETS |
| Actifs courants | | | Current assets |
| Encaisse | 46 926 | 17 660 | Cash |
| Autres débiteurs | 1 965 | 1 341 | Other receivables |
| Taxes à recevoir | 9 004 | 112 | Taxes receivable |
| Crédit d'impôt relatif aux ressources | 292 | - | Tax credit related to resources |
| Crédits d'impôt miniers à recevoir | 43 | - | Mining tax credits receivable |
| | 58 230 | 19 113 | |
| Actifs non courants | | | Non-current assets |
| Prêt à recevoir de Biomoss Carbon ULC, intérêt de 5 %, échéant en mai 2018 | 25 000 | 25 000 | Loan receivable from Biomoss Carbon ULC, interest of 5%, maturing in May 2018 |
| Actifs de prospection et d'évaluation (note 3) | 90 473 | 15 000 | Exploration and evaluation assets (Note 3) |
| | 115 473 | 40 000 | |
| Total des actifs | 173 703 | 59 113 | Total assets |
| PASSIFS | | | LIABILITIES |
| Passifs courants | | | Current liabilities |
| Créditeurs et charges à payer | 39 884 | 16 073 | Accounts payable and accrued liabilities |
| Passifs non courants | | | Non-current liabilities |
| Billet à ordre convertible non garanti (note 5) | 21 332 | - | Unsecured convertible promissory note (Note 5) |
| Total des passifs | 61 216 | 16 073 | Total liabilities |
| CAPITAUX PROPRES | | | EQUITY |
| Capital-social (note 6) | 259 980 | 162 420 | Share capital (Note 6) |
| Composante capitaux propres du billet à ordreconvertible non garanti | 3 668 | - | Equity component of the unsecured convertible promissory note |
| Déficit cumulé | (151 161) | (119 380) | Cumulated deficit |
| Total des capitaux propres | 112 487 | 43 040 | Total equity |
| Total des passifs et des capitaux propres | 173 703 | 59 113 | Total liabilities and equity |

**STATUTS CONSTITUTIFS, NATURE DES ACTIVITÉS,
CONTINUITÉ DE L'EXPLOITATION (note 1), ENGAGEMENTS
(note 10) ET ÉVÉNEMENTS SUBSÉQUENTS (note 11).**

**STATUTE OF INCORPORATION, NATURE OF ACTIVITIES,
GOING CONCERN (Note 1), COMMITMENTS (Note 10) AND
SUBSEQUENT EVENTS (Note 11).**

POUR LE CONSEIL D'ADMINISTRATION / ON BEHALF OF THE BOARD,

(s) Jean Rainville, Administrateur – Director

(s) Marc-André Lavoie, Administrateur – Director

Explorations M.P.V. Inc.

(Une société d'exploration)

**États intermédiaires résumés
du bénéfice (perte) net(te) et du
bénéfice (perte) global(e)**

(en dollars canadiens)

(Non audité)

M.P.V. Explorations Inc.

(An Exploration Company)

**Condensed interim statements of
net income (loss) and
comprehensive income (loss)**

(in Canadian dollars)

(Unaudited)

| | Période de trois mois close le 30 septembre / Three-month period ended September 30 | | Période de six mois close le 30 septembre / Six-month period ended September 30 | | |
|--|--|-----------|--|-----------|--|
| | 2017 | 2016 | 2017 | 2016 | |
| | \$ | \$ | \$ | \$ | |
| CHARGES | | | | | EXPENSES |
| Honoraires professionnels et de consultants | 35 461 | 186 | 35 911 | 1 486 | Professional and consultant fees |
| Autres charges | 443 | 106 | 5 335 | (264) | Other expenses |
| | 35 904 | 292 | 41 246 | 1 222 | |
| AUTRES | | | | | OTHERS |
| Revenus d'intérêts | 313 | 313 | 625 | 598 | Interests income |
| BÉNÉFICE (PERTE) AVANT IMPÔTS | (35 591) | 21 | (40 621) | (624) | INCOME (LOSS) BEFORE INCOME TAXES |
| Impôts différés (note 4) | 7 671 | - | 14 040 | - | Deferred income taxes (Note 4) |
| BÉNÉFICE (PERTE) NET(TE) ET BÉNÉFICE (PERTE) GLOBAL(E) TOTAL(E) | (27 920) | 21 | (26 581) | (624) | NET INCOME (LOSS) AND TOTAL COMPREHENSIVE INCOME (LOSS) |
| Bénéfice (perte) net(te) par action de base et diluée | (0,01) | - | (0,01) | - | Basic and diluted income (loss) per share |
| Nombre moyen pondéré d'actions en circulation | 3 230 250 | 2 417 250 | 2 990 349 | 2 417 250 | Weighted average number of common shares |

Les notes complémentaires font partie intégrante des états financiers. / The accompanying notes are an integral part of the financial statements.

Explorations M.P.V. Inc.

(Une société d'exploration)

Etats intermédiaires résumés des variations des capitaux propres

(en dollars canadiens)

(Non audité)

M.P.V. Explorations Inc.

(An Exploration Company)

Condensed interim statements of changes in equity

(in Canadian dollars)

(Unaudited)

| | Capital-social / Share capital | Composante capitaux propres du billet à ordre convertible non garanti / Equity component of the unsecured convertible promissory note | Déficit / Deficit | Capitaux propres / Total equity | |
|--|-----------------------------------|---|----------------------|---------------------------------------|--|
| | \$ | \$ | \$ | \$ | |
| Solde au 31 mars 2016 | 162 420 | - | (117 521) | 44 899 | Balance, March 31, 2016 |
| Perte nette et perte globale pour la période | - | - | (624) | (624) | Net loss and comprehensive loss for the period |
| Solde au 30 septembre 2016 | 162 420 | - | (118 145) | 44 275 | Balance, September 30, 2016 |
| | | | | | |
| Solde au 31 mars 2017 (audité) | 162 420 | - | (119 380) | 43 040 | Balance, March 31, 2017 (audited) |
| Émission de capital-social (note 6) | 97 560 | - | - | 97 560 | Issuance of share capital (Note 6) |
| Frais émission d'actions | - | - | (5 200) | (5 200) | Share issue expenses |
| Option de conversion du billet à ordre convertible non garanti | - | 3 668 | - | 3 668 | Conversion option of the unsecured convertible promissory note |
| | 259 980 | 3 668 | (124 580) | 139 068 | |
| Perte nette et perte globale pour la période | - | - | (26 581) | (26 581) | Net loss and comprehensive loss for the period |
| Solde au 30 septembre 2017 | 259 980 | 3 668 | (151 161) | 112 487 | Balance, September 30, 2017 |

Les notes complémentaires font partie intégrante des états financiers. / The accompanying notes are an integral part of the financial statements.

Explorations M.P.V. Inc.

(Une société d'exploration)

Tableaux intermédiaires résumés**des flux de trésorerie**

(en dollars canadiens)

(Non audité)

M.P.V. Explorations Inc.

(An Exploration Company)

Condensed interim statements**of cash flows**

(in Canadian dollars)

(Unaudited)

| | Période de trois mois close le 30 septembre / Three-month period ended September 30 | | Période de six mois close le 30 septembre / Six-month period ended September 30 | | |
|---|--|--------|--|---------|--|
| | 2017 | 2016 | 2017 | 2016 | |
| | \$ | \$ | \$ | \$ | |
| ACTIVITÉS OPÉRATIONNELLES | | | | | OPERATING ACTIVITIES |
| Bénéfice (perte) net(te) | (27 920) | 21 | (26 581) | (624) | Net income (loss) |
| Élément n'impliquant aucun mouvement de trésorerie : | | | | | Items not involving cash : |
| Impôts différés | (7 671) | - | (14 040) | - | Deferred income taxes |
| | (35 591) | 21 | (40 621) | (624) | |
| Variation nette des éléments hors caisse du fonds de roulement (note 7) | 29 311 | (186) | 7 183 | (1 017) | Net change in non-cash operating working capital items (Note 7) |
| Flux de trésorerie liés aux activités opérationnelles | (6 280) | (165) | (33 438) | (1 641) | Cash flows related to operating activities |
| ACTIVITÉS DE FINANCEMENT | | | | | FINANCING ACTIVITIES |
| Billet à ordre convertible non garanti (note 5) | 25 000 | - | 25 000 | - | Unsecured convertible promissory note (Note 5) |
| Encaissement à titre de capital-social | - | - | 111 600 | - | Cash inflow related to share capital |
| Frais d'émission d'actions | (5 200) | - | (5 200) | - | Share issue expenses |
| Flux de trésorerie liés aux activités de financement | 19 800 | - | 131 400 | - | Cash flows related to financing activities |
| ACTIVITÉS D'INVESTISSEMENT | | | | | INVESTING ACTIVITIES |
| Encaisse réservée à la prospection et l'évaluation | 38 355 | - | - | - | Cash reserved for exploration and evaluation |
| Augmentation des actifs de prospection et d'évaluation | (32 077) | - | (68 696) | - | Increase of exploration and evaluation assets |
| Flux de trésorerie liés aux activités d'investissement | 6 278 | - | (68 696) | - | Cash flows related to investment activities |
| VARIATION DE L'ENCAISSE | 19 798 | (165) | 29 266 | (1 641) | CASH VARIATION |
| ENCAISSE, AU DÉBUT DE LA PÉRIODE | 27 128 | 18 217 | 17 660 | 19 693 | CASH, BEGINNING OF PERIOD |
| ENCAISSE, À LA FIN DE LA PÉRIODE | 46 926 | 18 052 | 46 926 | 18 052 | CASH, END OF PERIOD |

Les notes complémentaires font partie intégrante des états financiers. / The accompanying notes are an integral part of the financial statements.

Notes complémentaires aux états financiers intermédiaires résumés

(en dollars canadiens)
(Non audité)

Notes to condensed interim financial statements

(in Canadian dollars)
(Unaudited)

1- STATUTS CONSTITUTIFS, NATURE DES ACTIVITÉS ET CONTINUITÉ DE L'EXPLOITATION

Explorations M.P.V. Inc. (« MPV ») ou la (« Société »), constituée en vertu de la *Loi canadienne sur les sociétés par actions*, est une société d'exploration minière dont les activités se situent au Canada. Le siège social de la Société est situé au 1080, Côte du Beaver Hall, bureau 1606, Montréal, Québec H2Z 1S8.

La Société n'a pas encore déterminé si ses propriétés minières renferment des réserves de minerai pouvant être exploitées économiquement. La prospection et la mise en valeur de gisements de minéraux impliquent d'importants risques financiers. Le succès de la Société dépendra d'un certain nombre de facteurs, entre autres, des risques liés à l'exploration et à l'extraction, des questions relatives à la réglementation ainsi que des règlements en matière d'environnement et autres règlements et l'accessibilité au financement.

Pour la période de six mois close le 30 septembre 2017, la Société a enregistré une perte nette de 26 581 \$ (624 \$ en 2016) et a des flux de trésorerie négatifs liés aux activités opérationnelles de 33 438 \$ (1 641 \$ en 2016). De plus, au 30 septembre 2017, la Société a un déficit de 151 161 \$ (118 145 \$ en 2016). Celle-ci étant au stade de la prospection, elle n'a pas de revenu ni de flux de trésorerie positifs provenant de son exploitation. Conséquemment, la direction cherche périodiquement à obtenir du financement sous forme d'émission d'actions afin de poursuivre ses activités et malgré le fait qu'elle y soit parvenue dans le passé, il n'y a aucune garantie de réussite pour l'avenir. Si la direction ne parvenait pas à obtenir de nouveaux fonds, la Société pourrait alors être dans l'incapacité de poursuivre ses activités, et les montants réalisés à titre d'actifs pourraient être moins élevés que les montants inscrits dans les présents états financiers.

1- STATUTE OF INCORPORATION, NATURE OF ACTIVITIES AND GOING CONCERN

M.P.V. Explorations Inc. ("MPV") or the ("Company" incorporated under the *Business Companies Act*, is a mining exploration company operating in Canada. The address of the Company head office and registered office is 1080, Cote du Beaver Hall, Suite 1606, Montreal, Quebec, H2Z 1S8.

The Company has not yet determined whether the mining properties have economically recoverable reserves. The exploration and development of mineral deposits involves significant financial risk. The success of the Company will be influenced by number of factors, including exploration and extraction risks, regulatory issues, environment regulations and other regulations as well as availability of financing.

For the six-month period ended September 30, 2017, the Company recorded a net loss of \$26,581 (\$624 in 2016) and has negative cash flows from operations of \$33,438 (\$1,641 in 2016). In addition, as at September 30, 2017, the Company has cumulative deficit of \$151,161 (\$118,145 in 2016). The Company is still in exploration stage and, as such, no revenue or positive cash flows have been yet generated from its operating activities. Consequently, management periodically seeks financing through the issuance of shares to continue its operations, and despite the fact that it has been able in the past, there is no guarantee of success for the future. If management is unable to obtain new funding, the Company may be unable to continue its operation, and amounts realized from assets may be less than amounts reflected in these financial statements.

Notes complémentaires aux états financiers intermédiaires résumés

(en dollars canadiens)

(Non audité)

Notes to condensed interim financial statements

(in Canadian dollars)

(Unaudited)

1- STATUTS CONSTITUTIFS, NATURE DES ACTIVITÉS ET CONTINUITÉ DE L'EXPLOITATION (suite)

Bien que la direction ait pris des mesures pour vérifier le droit de propriété concernant les propriétés minières dans lesquelles la Société détient une participation, conformément aux normes de l'industrie visant la phase courante d'exploration de ces propriétés, ces procédures ne garantissent pas le titre de propriété à la Société. Le titre de propriété peut être assujéti à des accords antérieurs non reconnus et ne pas être conforme aux exigences en matière de réglementation.

Ces conditions indiquent l'existence d'une incertitude significative susceptible de jeter un doute important sur la capacité de la Société à poursuivre son exploitation.

Les états financiers ci-joints ont été établis selon l'hypothèse de la continuité de l'exploitation, où les actifs sont réalisés et les passifs réglés dans le cours normal des activités et ne tiennent pas compte des ajustements qui devraient être effectués à la valeur comptable des actifs et des passifs, aux montants présentés au titre des produits et des charges et au classement des postes de l'état de la situation financière si l'hypothèse de la continuité de l'exploitation n'était pas fondée. Ces ajustements pourraient être importants.

2- DÉCLARATION DE CONFORMITÉ AUX IFRS

Les états financiers intermédiaires résumés de la Société pour la période de six mois close le 30 septembre 2017 ont été préparés en accord avec IAS 34 « Information financière intermédiaire » (IAS 34). Ils ne comportent pas toutes les informations et notes requises aux fins des états financiers annuels audités. Les méthodes comptables utilisées sont les mêmes que celles employées aux fins des états financiers audités pour l'exercice clos du 31 mars 2017, préparés conformément aux IFRS, telles qu'elles sont publiées par l'IASB. Par conséquent, ces états financiers résumés intermédiaires et les notes y afférentes devraient être lus en parallèle avec les états financiers audités pour l'exercice clos le 31 mars 2017. Le conseil d'administration a approuvé les états financiers le 13 décembre 2017.

1- STATUTE OF INCORPORATION, NATURE OF ACTIVITIES AND GOING CONCERN (continued)

Although management has taken steps to verify title of the mining properties in which the Company holds an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company property title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities during the normal course of operations and do not reflect the adjustments to the carrying value of assets and liabilities, the reported revenue and expenses and statement of financial position classification that would be necessary if the going concern assumption would not be appropriate. These adjustments could be material.

2- STATEMENT OF COMPLIANCE WITH IFRS

The condensed interim financial statements of the Company for the six-month period ended September 30, 2017 have been prepared in accordance with IAS 34 "Interim Financial Reporting" (IAS 34). They do not include all the information and notes required for the purpose of audited annual financial statements. The accounting methods used are the same that those used for the purpose of audited annual financial statements for the year ended March 31, 2017, prepared in accordance with the IFRS as they are published by the IASB. Consequently, the condensed interim financial statements and the notes thereto should be read in conjunction with the audited annual financial statements for the year ended March 31, 2017. On December 13, 2017, the Board of Directors approved the financial statements.

Notes complémentaires aux états financiers intermédiaires résumés

(en dollars canadiens)

(Non audité)

Notes to condensed interim financial statements

(in Canadian dollars)

(Unaudited)

3- ACTIFS DE PROSPECTION ET D'ÉVALUATION**3- EXPLORATION AND EVALUATION ASSETS**

| | 30 septembre / September 30, 2017 | 31 mars / March 31, 2017 | |
|--------------------------------------|--|---|-------------------------------------|
| | \$ | \$ | |
| Propriétés minières | 19 774 | 15 000 | Mining properties |
| Frais de prospection et d'évaluation | 70 699 | - | Exploration and evaluation expenses |
| | <u>90 473</u> | <u>15 000</u> | |

| Propriétés minières : / Mining properties: | Redevances / Royalties | Canton / Township | Solde au 31 mars 2017 / Balance as at March 31, 2017 | Augmentation / Addition | Crédit d'impôt et crédit d'impôt minier / Tax credit and mining tax credit | Solde au 30 septembre 20 / Balance as at September 30 2017 |
|--|-----------------------------------|--------------------------------|---|------------------------------------|---|---|
| | | | \$ | \$ | \$ | \$ |
| Québec : / Quebec: | | | | | | |
| Umex-1 (option: note 10) | 2 % | CL325 et SCS120 et CD450 | 15 000 | - | | 15 000 |
| Umex-2 | - | | - | 4 774 | - | 4 774 |
| | | | <u>15 000</u> | <u>4 774</u> | <u>-</u> | <u>19 774</u> |
| Frais de prospection et d'évaluation reportés : / Deferred exploration and evaluation expenses: | | | | | | |
| Québec : / Quebec: | | | | | | |
| Umex-1 | | | - | 71 034 | (335) | 70 699 |
| | | | <u>15 000</u> | <u>75 808</u> | <u>(335)</u> | <u>90 473</u> |

| Propriétés minières : / Mining properties: | Redevances / Royalties | Canton / Township | Solde au 31 mars 2016 / Balance as at March 31, 2016 | Augmentation / Addition | Crédit d'impôt et crédit d'impôt minier / Tax credit and mining tax credit | Solde au 31 mars 2017 / Balance as at March 31, 2017 |
|---|-----------------------------------|------------------------------|---|------------------------------------|---|---|
| | | | \$ | \$ | \$ | \$ |
| Québec : / Quebec: | | | | | | |
| Umex-1 (option: note 10) | 2 % | CL325 et | - | 15 000 | - | 15 000 |
| | | | <u>-</u> | <u>15 000</u> | <u>-</u> | <u>15 000</u> |

Notes complémentaires aux états financiers intermédiaires résumés

(en dollars canadiens)

(Non audité)

Notes to condensed interim financial statements

(in Canadian dollars)

(Unaudited)

3- ACTIFS DE PROSPECTION ET D'ÉVALUATION (suite)

Québec

Propriété Umex-1

La propriété Umex-1 est composée de 14 cellules représentant une superficie de 776 hectares. La propriété est située dans la région Abitibi Est à 40 km à l'ouest de la ville de Chapais et 88 km à l'ouest de la ville de Chibougamau. La Société a signé, le 31 mars 2017, une entente d'option afin d'acquérir 100 % de la propriété selon les conditions suivantes :

- Versement d'un montant de 15 000 \$ à la signature de l'entente (condition respectée);
- Le ou avant le premier anniversaire de l'entente un montant additionnel de 25 000 \$ et engager un minimum de 50 000 \$ (50 000 \$ - respectée) en travaux d'exploration;
- Le ou avant le deuxième anniversaire de l'entente un montant additionnel de 50 000 \$ et engager un minimum de 100 000 \$ en travaux d'exploration;
- Le ou avant le troisième anniversaire de l'entente un montant additionnel de 75 000 \$ et engager un minimum de 150 000 \$ en travaux d'exploration;
- Le ou avant le quatrième anniversaire de l'entente un montant additionnel de 135 000 \$ et engager un minimum de 200 000 \$ en travaux d'exploration.

La propriété est sujette à une redevance de 2 % sur les produits nets de fonderie dont la moitié pourra être rachetée pour la somme de 1 500 000 \$.

Propriété Umex-2

La propriété Umex-2 est constituée d'un bloc de 58 cellules contiguës à l'est, et sur la même bande conductrice que celle traversant la propriété Umex- 1. La propriété couvre une superficie de 3 211 hectares. Elle appartient à 100 % à la Société.

3- EXPLORATION AND EVALUATION ASSETS (continued)

Quebec

Umex-1 Property

The Umex-1 property consists of 14 cells covering a total area of 776 hectares. The property is located within the Eastern Abitibi region at 40 km west of the town of Chapais and 88 km west of the town of Chibougamau. On March 31, 2017, the Company signed an option agreement to acquire 100% of the property under the following conditions:

- Pay an amount of \$15,000 upon the signature of the agreement (condition fulfilled);
- On or before the first anniversary of the agreement, pay an additional sum of \$25,000 and incur exploration expenditures in a minimum of \$50,000 (\$50,000 – fulfilled) ;
- On or before the second anniversary of the agreement, pay an additional sum of \$50,000 and incur exploration expenditures in a minimum of \$100,000 ;
- On or before the third anniversary of the agreement, pay an additional sum of \$75,000 and incur exploration expenditures in a minimum of \$150,000 ;
- On or before the fourth anniversary of the agreement, pay an additional sum of \$135,000 and incur exploration expenditures in a minimum of \$200,000.

The property is subject to a 2% NSR, half of which can be bought back for \$1,500,000.

Umex-2 Property

The Umex-2 property is composed of one block of 58 contiguous cells to the east, and on the same conductive strip as that traversing the Umex-1 property. The property is covering an area of 3,211 hectares. It is wholly-owned by the Company.

Notes complémentaires aux états financiers intermédiaires résumés(en dollars canadiens)
(Non audité)**Notes to condensed interim financial statements**(in Canadian dollars)
(Unaudited)**4- AUTRE PASSIF**

| | 30 septembre / September 30, 2017 |
|--|--|
| | \$ |
| Solde au début de la période | - |
| Augmentation de la période | 14 040 |
| Réduction liée à l'engagement des dépenses | (14 040) |
| Solde à la fin de la période | - |

Le poste autre passif représente la vente de déductions fiscales aux investisseurs par le biais de financements accreditifs.

Au 30 septembre 2017, la Société avait engagé toutes les sommes réservées aux travaux de prospection et d'évaluation.

4- OTHER LIABILITY

| | 31 mars / March 31, 2017 | |
|---|---|--|
| | \$ | |
| Balance, beginning of period | | |
| Increase of the period | - | |
| Decrease related to the incurring of expenses | - | |
| Balance, end of period | - | |

Other liability represents the sale of tax deductions to investors following flow-through shares financing.

As at September 30, 2017, the Company had spent all amounts reserved for exploration and evaluation work.

5- BILLET À ORDRE CONVERTIBLE NON GARANTI

En septembre 2017, la Société a émis un billet à l'ordre convertible non garanti (« Billet ») au montant de 25 000 \$ et portant intérêt au taux de 6 % (taux d'intérêt effectif de 25 %). Le Billet ainsi que les intérêts courus seront convertis en unités de la Société selon le prix de l'unité obtenu lors de la clôture du premier appel public à l'épargne de la Société. Chaque unité sera composée d'une action ordinaire et d'un bon de souscription. Dans l'éventualité où le premier appel public à l'épargne ne serait pas complété dans les 180 jours, le Billet sera alors converti en actions ordinaires au prix de 0,12 \$ par action ordinaire.

5- UNSECURED CONVERTIBLE PROMISSORY NOTE

In September 2017, the Company issued a convertible promissory note ("Note") in the amount of \$25,000 and bears interest at the rate of 6% (effective interest rate of 25%). This Note and any accrued interest thereon will be converted into units of the Company based on the price of the unit obtained at the closing of its initial public offering. Each unit will consist of one common share and one common share purchase warrant. In the event where the initial public offering is not completed within 180 days, the Note will be converted in common shares at a price of \$0.12 per common share.

Notes complémentaires aux états financiers intermédiaires résumés(en dollars canadiens)
(Non audité)**Notes to condensed interim financial statements**(in Canadian dollars)
(Unaudited)**6- CAPITAL-SOCIAL****6- SHARE CAPITAL**

Autorisé / Authorized

Nombre illimité d'actions ordinaires sans valeur nominale / Unlimited number of common shares without par value

Les mouvements dans le capital-social de la Société se détaillent comme suit : / Changes in the Company's share capital were as follows:

| | 30 septembre / September 30, 2017 | | 31 mars / March 31, 2017 | | |
|-------------------------------------|--|---------------------|---|---------------------|-------------------------------------|
| | Quantité / Number | Montant / Amount | Quantité / Number | Montant / Amount | |
| | | \$ | | \$ | |
| Solde au début de la période | 2 417 250 | 162 420 | 2 417 250 | 162 420 | Balance, beginning of period |
| Émission d'actions | 813 000 | 97 560 | - | - | Share issuance |
| Solde à la fin de la période | <u>3 230 250</u> | <u>259 980</u> | <u>2 417 250</u> | <u>162 420</u> | Balance, end of period |

Pour la période de six mois close le 30 septembre 2017

En mai 2017, la Société a clôturé un placement privé de 46 unités. Chaque unité est composée de 7 500 actions ordinaires à un prix de 0,12 \$ par action, pour une contrepartie monétaire totale de 41 400 \$.

En mai 2017, la Société a clôturé un placement privé de 117 unités d'actions accréditives. Chaque unité est composée de 4 000 actions ordinaires accréditives à un prix de 0,15 \$ par action, pour une contrepartie monétaire totale de 70 200 \$. Lors de l'émission, un montant de 14 040 \$ a été comptabilisé comme autre passif à l'état intermédiaire résumé de la situation financière (note 4).

For the six-month period ended September 30, 2017

In May 2017, the Company closed a private placement of 46 units. Each unit is comprised of 7,500 common shares at a price of \$0.12 per share, for total gross proceeds of \$41,400.

In May 2017, the Company closed a private placement of 117 units of flow-through common shares. Each unit is comprised of 4,000 flow-through common shares at a price of \$0.15 per share, for total gross proceeds of \$70,200. When issued, an amount of \$14,040 was accounted as other liability in the condensed interim statement of financial position (Note 4).

Notes complémentaires aux états financiers intermédiaires résumés(en dollars canadiens)
(Non audité)**Notes to condensed interim financial statements**(in Canadian dollars)
(Unaudited)**7- RENSEIGNEMENTS COMPLÉMENTAIRES AUX FLUX DE TRÉSORERIE**

Variation nette des éléments hors caisse du fonds de roulement :

| | Période de trois mois close le 30 septembre / Three-month period ended September 30 | |
|-------------------------------|--|--------------|
| | 2017 | 2016 |
| | \$ | \$ |
| Autres débiteurs | (312) | (311) |
| Taxes à recevoir | (2 885) | 159 |
| Créditeurs et charges à payer | 32 508 | (34) |
| | <u>29 311</u> | <u>(186)</u> |

Renseignements supplémentaires :

| | Période de trois mois close le 30 septembre / Three-month period ended September 30 | |
|--|--|-------------|
| | 2017 | 2016 |
| | \$ | \$ |
| Actifs de prospection et d'évaluation inclus dans les créditeurs et charges à payer | 7 112 | - |
| Crédit d'impôt relatif aux ressources et crédits d'impôt miniers à recevoir crédités aux actifs de prospection et d'évaluation | 335 | - |

7- COMPLEMENTARY INFORMATION RELATED TO CASH FLOWS

Net change in non-cash operating working capital items:

| | Période de six mois close le 30 septembre / Six-month period ended September 30 | |
|--|--|----------------|
| | 2017 | 2016 |
| | \$ | \$ |
| | (624) | (597) |
| | (8 892) | 44 |
| | 16 699 | (464) |
| | <u>7 183</u> | <u>(1 017)</u> |

Supplementary information:

| | Période de six mois close le 30 septembre / Six-month period ended September 30 | |
|--|--|-------------|
| | 2017 | 2016 |
| | \$ | \$ |
| | 7 112 | - |
| | 335 | - |

Other receivables
Taxes receivable
Accounts payable and accrued liabilities

Exploration and evaluation assets included in accounts payable and accrued liabilities

Tax credit related to resources and mining tax credits receivable credited to exploration and evaluation assets

8- OPÉRATIONS ENTRE PARTIES LIÉES**Transactions avec les principaux dirigeants et les membres du conseil d'administration**

Au cours de la période de six mois close le 30 septembre 2017, la Société a engagé 3 437 \$ (186 \$ en 2016) en honoraires professionnels et de consultants auprès de la secrétaire. En relation avec ces transactions, la Société n'avait aucun solde à payer au 30 septembre 2017 (néant en 2016).

Ces opérations sont conclues dans le cours normal des activités de la Société et sont mesurées en fonction de leur valeur d'échange, soit le montant de la contrepartie convenue entre les parties aux accords.

8- RELATED PARTY TRANSACTIONS**Transactions with Key Executives and with members of the Board of Directors**

During the six-month period ended September 30, 2017, the Company incurred \$3,437 (\$186 in 2016) professional and consultant fees with its secretary. In relation with these transactions no amount was payable as at September 30, 2017 (Nil in 2016).

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed by the related parties.

Notes complémentaires aux états financiers intermédiaires résumés

(en dollars canadiens)

(Non audité)

Notes to condensed interim financial statements

(in Canadian dollars)

(Unaudited)

9- PASSIFS ÉVENTUELS

- a) Les opérations de la Société sont régies par des lois gouvernementales concernant la protection de l'environnement. Les conséquences environnementales sont difficilement identifiables, que ce soit au niveau de la résultante, de son échéance ou de son impact. Présentement, au meilleur de la connaissance de ses dirigeants, la Société opère en conformité avec les lois et les règlements en vigueur.
- b) La Société se finance en partie par l'émission d'actions. Cependant, il n'y a pas de garantie que les fonds dépensés par la Société seront admissibles comme frais d'exploration canadiens, même si la Société s'est engagée à prendre toutes les mesures nécessaires à cet effet. Le refus de certaines dépenses par les autorités fiscales pourrait avoir des conséquences fiscales négatives pour les investisseurs et la Société.

10- ENGAGEMENTS

- a) En mars 2017, la Société a signé une entente avec une société en vertu de laquelle elle pourra acquérir 100 % de la propriété Umex-1 au Québec. La Société a versé 15 000 \$ à la signature de l'entente (condition respectée). De plus, la Société devra verser 285 000 \$ et dépenser 500 000 \$ en travaux d'exploration avant le 31 mars 2021. Au 30 septembre 2017, 71 034 \$ en travaux d'exploration avait été engagé.
- b) En juillet 2017, la Société a signé une lettre d'engagement avec Leede Jones Gable Inc. (« Agent ») en tant qu'agent exclusif pour le premier appel public à l'épargne (« Entente ») d'unités d'actions ordinaires. Lors de l'acceptation de la présente Entente, la Société devra verser à l'Agent des frais de financement de 10 000 \$, dont 5 000 \$ ne seront pas remboursables et seront payables à la réception de la lettre d'engagement (condition respectée). Le 5 000 \$ restant sera payable à la date de clôture. La Société versera à l'Agent une commission en espèces égale à 10 % du produit brut de l'offre à la date de clôture. La Société émettra à l'Agent des options non transférables égales à 10 % du montant des unités émises de la trésorerie, exerçables au prix de 0,20 \$ l'unité pour une période de 24 mois à compter de la date de clôture. La Société sera également responsable de payer les honoraires juridiques engagés par l'Agent jusqu'à concurrence de 20 000 \$ plus les décaissements et les taxes applicables.

9- CONTINGENT LIABILITIES

- a) The Company's operations are governed by governmental laws and regulations regarding environmental protection. Environmental consequences are difficult to identify, in terms of level of impact or deadline. At the present time and to the best knowledge of management, the Company is in conformity with the laws and regulations.
- b) The Company is partly financed by the issuance of shares. However, there is no guarantee that the funds spent by the Company will qualify as Canadian exploration, even if the Company has committed to take all the necessary measures for this purpose. Refusals of certain expenses by tax authorities may have negative tax consequences for investors and the Company.

10- COMMITMENTS

- a) In March 2017, the Company signed an agreement with a company by which it could acquire 100% interest in Umex-1 property in Quebec. The Company paid \$15,000 (condition fulfilled) at the signature of the agreement. In addition, the Company will have to pay \$285,000 and incur \$500,000 in exploration expenses before March 31, 2021. As of September 30, 2017, \$71,034 of exploration expenses had been spent.
- b) In July 2017, the Company signed an engagement letter with Leede Jones Gable Inc. ("Agent") as exclusive agent for the initial public offering ("Agreement") of common share units. Upon the acceptance of this Agreement, the Company will pay to the Agent a corporate finance fee of \$10,000, of which \$5,000 will be non-refundable and payable upon the acceptance of this engagement letter (condition fulfilled). The remaining \$5,000 will be payable on the closing date. The Company will pay to the Agent a cash commission equal to 10% of the gross proceeds of the offering on the closing date. The Company will issue to the Agent a non-transferable option for the purchase of that number of units issued from treasury of the Company equal to 10% exercisable at a price of \$0.20 per unit for a period of 24 months from the closing date. The Company will also be responsible for the legal costs incurred by the Agent up to a maximum of \$20,000 plus disbursements and applicable taxes.

Notes complémentaires aux états financiers intermédiaires résumés

(en dollars canadiens)
(Non audité)

Notes to condensed interim financial statements

(in Canadian dollars)
(Unaudited)

11- ÉVÈNEMENTS SUBSÉQUENTS

En décembre 2017, la Société a clôturé un placement privé d'unités A et B. Chaque unité A est composée de 4 000 actions accréditatives à un prix de 0,25 \$ par action, pour une contrepartie monétaire totale de 187 000 \$. Chaque unité B est composée de 6 667 actions ordinaires à un prix de 0,15 \$ et de 6 667 bons de souscription donnant droit de souscrire à une action ordinaire au prix de 0,25 \$ en tout temps pour une période de 36 mois à compter la date de l'obtention par la Société d'un visa de prospectus définitif. La contrepartie monétaire totale pour les unités B est de 293 000 \$.

En décembre 2017, la Société a octroyé des options d'achat d'actions à des administrateurs et dirigeants leur permettant d'acquérir un total de 500 000 actions ordinaires. Chaque option donne droit à son détenteur de souscrire à une action de la Société au prix de 0,20 \$ pour une période de cinq ans.

En décembre 2017, la Société a amendé la lettre d'engagement intervenue avec Leede Jones Gable Inc. en juillet 2017. Tous les termes sont demeurés les mêmes sauf les suivants :

- Appel public à l'épargne d'un minimum de 350 000 \$ et d'un maximum de 1 000 000 \$.
- Option pour attributions excédentaires exerçables en totalité ou en partie et permettant d'acquérir, pour une période de 30 jours suivant la clôture du financement, jusqu'à 20 % du montant des unités vendues et ce, au prix du premier appel public à l'épargne.
- Frais de financement d'un montant total de 15 000 \$. 5 000 \$ a déjà été versé et 10 000 \$ sera payable lors de la clôture du premier appel public à l'épargne.

11- SUBSEQUENT EVENTS

In December 2017, the Company closed a private placement consisting of A and B units. Each A unit is comprised of 4,000 flow-through shares at a price of \$0.25 per share, for total gross proceeds of \$187,000. Each B unit is comprised of 6,667 common shares at a price of \$0.15 and 6,667 common share purchase warrants exercisable at any time at a price of \$0.25 per common share for a period of 36 months starting from the date upon which the Company obtains a receipt for a final prospectus. Total gross proceeds for the B units amount to \$293,000.

In December 2017, the Company granted share purchase options to directors and officers to acquire a total of 500,000 common shares. Each option entitles its holder to subscribe for one share of the Company at a price of \$0.20 for a period of five years.

In December 2017, the Company amended the engagement letter signed with Leede Jones Gable Inc. in July 2017. All terms remained the same except the following:

- Initial public offering of a minimum of \$350,000 and a maximum of \$1,000,000.
- Over-allotment option exercisable in whole or in part giving the right to acquire, during 30 days after the closing date, an additional 20% of units sold pursuant to the offering at the issue price.
- Corporate finance fee for a total amount of \$15,000. \$5,000 already been paid and the balance of \$10,000 will be payable at the closing of the initial public offering.

CERTIFICATE OF M.P.V. EXPLORATIONS INC.

Dated: January 4, 2018

This Preliminary 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 Québec, Ontario and British Columbia.

"(s) Jean- François Perras"

Jean-François Perras
President and Chief Executive Officer

"(s) Nathalie Laurin"

Nathalie Laurin
Chief Financial Officer and Corporate
Secretary

ON BEHALF OF THE BOARD OF DIRECTORS OF M.P.V. EXPLORATIONS INC.

" (s) Jean Rainville"

Jean Rainville
Director

"(s) Marc-André Lavoie"

Marc-André Lavoie
Director

PROMOTER

"(s) Jean- François Perras"

Jean-François Perras

CERTIFICATE OF THE AGENT

Dated: January 4, 2018

To the best of our knowledge, information and belief, this Preliminary 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 Québec, Ontario and British Columbia.

LEEDE JONES GABLE INC.

" (s) Jean-François Perrault "

Jean-François Perrault

Managing Director, Corporate Finance