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

*The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and except pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws, may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. Person (as that term is defined in Regulation S under the U.S. Securities Act). This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the account of benefit of, any U.S Persons.*

New Issue Prospectus **February 27, 2018**

PROSPECTUS

AMERICAN PACIFIC MINING CORP.

11,365,000 Common Shares and 5,682,500 Common Share Purchase Warrants issuable on deemed exercise of outstanding Special Warrants and 9,690,000 Common Shares issuable on deemed exercise of outstanding Debentures

No securities are being offered or sold pursuant to this Prospectus. This Prospectus is being filed with the securities regulatory in British Columbia, Alberta, Ontario, Saskatchewan and Nova Scotia to enable American Pacific Mining Corp. ("**APM** or the "**Company**") to become a reporting issuer pursuant to the applicable securities legislation in such province, and to qualify the distribution of the following securities: **11,365,000** common shares (the "**Common Shares**") in the capital of the Company and **5,682,500** Common Share purchase warrants (the "**Warrants**") of the Company issuable upon the deemed exercise of **11,365,000** issued and outstanding special warrants (the "**Special Warrants**") of the Company and **9,690,000** Common Shares issuable upon the deemed exercise of convertible debentures in the aggregate principal amount of $969,000 (the "**Debentures**") of the Company. The Special Warrants were issued in tranches which completed on December 22, 2017, and January 5, 2018 at a price of $0.25 per Special Warrant and the Debentures were issued in tranches which completed on December 22, 2017, and January 5, 2018 at a price of $0.10 per Debenture to purchasers in the provinces of British Columbia, Ontario, Alberta, Saskatchewan and Nova Scotia and outside of Canada on a private placement basis pursuant to certain prospectus exemptions under applicable securities legislation (the "**Private Placement**"). Collectively, the Common Shares and the Warrants are referred to herein as the "**Qualified Securities**". **The Special Warrants and Debentures are not available for purchase pursuant to this prospectus and no additional funds are to be received by the Company from the distribution of the Qualified Securities other than the exercise price payable upon exercise of the Warrants.**

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted on any exchange or quotation service. The Company has applied to the Canadian Securities Exchange (the "**CSE**") for the listing of the Common Shares. Listing is subject to the Company fulfilling all the requirements of the CSE, including meeting all minimum listing requirements. There is no guarantee that the CSE will provide final approval for the listing of the Common Shares.

There is no market through which the Special Warrants or Debentures may be sold and purchasers may not be able to resell the Special Warrants or Debentures acquired pursuant to the Private Placement. In addition, there is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants qualified by this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See "*Risk Factors*".

Each Special Warrant is represented by a Special Warrant Certificate and each Debenture is represented by a Debenture Certificate and will be deemed exchanged, without payment of any additional consideration and without any further action by the holder, for, in the case of a Special Warrant, one Common Share and one-half of one Warrant, on the third business day after the Prospectus Receipt Date (defined herein) and for, in the case of a Debenture, one Common Share, on the earlier of the third business day after the Prospectus Receipt Date and the

Listing Date. The Special Warrants and the conditions necessary for them to be exercised for Common Shares and Warrants are described in more detail under the heading "*Plan of Distribution*" in this prospectus. The Debentures and the conditions necessary for them to be exercised for Common Shares are described in more detail under the heading "*Plan of Distribution*" in this Prospectus.

Eric Saderholm, the President and a director of the Company, Ken Cunningham, a director of the Company, and Ernest L. "Buster" Hunsaker III, CPG 8137 of Hunsaker Inc., the author of the Technical Report reside outside of Canada, and have appointed the following agent for service of process in Canada.

Name of Person	**Name and Address of Agent**
Eric Saderholm	American Pacific Mining Corp., Suite 910 – 510 Burrard Street, Vancouver, British Columbia V6C 3A8
Ken Cunningham	American Pacific Mining Corp., Suite 910 – 510 Burrard Street, Vancouver, British Columbia V6C 3A8
Ernest L. "Buster" Hunsaker III	American Pacific Mining Corp., Suite 910 – 510 Burrard Street, Vancouver, British Columbia V6C 3A8

Investors are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

An investment in Common Shares and Warrants of the Company is highly speculative due to various factors, including the nature and stage of development of the business of the Company and the present stage of exploration of the Tuscarora Project (defined herein). An investment in these securities should only be made by persons who can afford the total loss of their investment. See "*Risk Factors*".

Investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of Common Shares, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires Common Shares.

Prospective investors should rely only on the information contained in this Prospectus. The Company has not authorized anyone to provide you with different information. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery. The Company's business, financial condition, results of operations and prospects may have changed since that date.

The Company's head office is located at Suite 910 – 510 Burrard Street, Vancouver, British Columbia V6C 3A8. The Company's registered office is located at 1500-1055 West Georgia Street, Vancouver, BC V6E 4N7.

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GLOSSARY

The following is a glossary of certain general terms used in this Prospectus, including the summary hereof. Terms and abbreviations used in the financial statements and management's discussion and analysis included in, or appended to this prospectus are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

"**APM Sub**" means American Pacific Mining (US) Inc., a wholly-owned subsidiary of the Company.

"**Author**" means Ernest L. "Buster" Hunsaker III, CPG 8137 of Hunsaker Inc., the author of the Technical Report.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended, together with all regulations promulgated thereto.

"**BLM**" means U.S. Department of Interior – Bureau of Land Management.

"**Board**" means the Board of Directors of the Company.

"**CEO**" means Chief Executive Officer.

"**CFO**" means Chief Financial Officer.

"**Common Share**" means a common share in the capital of the Company, which includes the Seed Shares and Warrant Shares.

"**company**" means unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**Company" or "APM**" means American Pacific Mining Corp., a company organized under the laws of British Columbia.

"**Debentures**" means the convertible debentures issued by the Company on December 22, 2017 and January 5, 2018 in the aggregate principal amount of $969,000, which will be deemed exercised into Common Shares at a conversion price equal to CDN $0.10 per Common Share on the Debenture Exercise Date.

"**Debenture Certificate**" means a certificate representing the Debentures.

"**Debenture Exercise Date**" means the date the Debentures are deemed to have been exercised into Common Shares, as set out in "*Plan of Distribution*."

"**Debenture Hold Restrictions**" has the meaning as set out in "*Plan of Distribution*."

"**Escrow Agent**" means TMX Trust Company.

"**Escrow Agreements**" means the NP 46-201 escrow agreement to be entered into on or before the Prospectus Receipt Date among the Company, the Escrow Agent and various Principals and shareholders of the Company.

"**Exchange**" or "**CSE**" means the Canadian Securities Exchange.

"**Exchange Requirements**" means the articles, by-laws, policies, circulars, rules, guidelines, orders, notices, rulings, forms, decisions and regulations of the Exchange as from time to time enacted, any instructions, decisions and directions of the Exchange (including those of any committee of the Exchange as appointed from time to time), and all applicable provisions of the securities laws of any other jurisdiction.

"**Form 51-102F6**" means Form 51-102F6 *Statement of Executive Compensation*

"**Listing**" means the listing of the Company's Common Shares on the CSE under the trading symbol "USGD" or such other symbol approved by the Exchange.

“**Listing Date**” means the date that the Common Shares are listed on the CSE or another stock exchange recognized under provincial securities laws.

“**Maturity Date**” means the maturity date of the Debentures.

“**MD&A**” means management’s discussion and analysis of financial condition and operating results.

“**Named Executive Officers**” or “**NEOs**” means the following individuals:

(a) the Company’s Chief Executive Officer;

(b) the Company’s Chief Financial Officer;

(c) each of the Company’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose individual total compensation exceeds $150,000 for that financial year; and

(d) each individual who would be an Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

“**NEX**” means the NEX Board of the TSX-V.

“**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*.

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Properties.*

“**NI 52-110**” means National Instrument 52-110 – *Audit Committees.*

“**NI 58-101**” means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

“**Novo**” means Novo Resources (USA) Corp.

“**NP 46-201**” means National Policy 46-201 – *Escrow for Initial Public Offerings*.

“**Option**” means the option granted to the Company by Novo to acquire a one hundred percent interest in the Tuscarora Property pursuant to the Option Agreement.

“**Option Agreement**” means the option agreement dated November 6, 2017 between the Company and Novo pursuant to which the Company was granted the Option.

“**Person**” means a company or individual.

“**Principal**” of an issuer means:

(a) a person or company who acted as a promoter of the issuer within two years before the prospectus;

(b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the prospectus;

(c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s initial public offering; or

(d) a 10% holder – a person or company that:

    (i) holds securities carrying more than 10% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s initial public offering, and

(ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

"**Private Placement**" means the non-brokered private placement of the Company of 11,365,000 Special Warrants and Debentures in the principal amount of $969,000, which completed in tranches on December 22, 2017 and January 5, 2018 which will result in the deemed exercise of Special Warrants for 11,365,000 Common Shares and 5,682,500 Warrants, and the deemed exercise of Debentures for 9,690,000 Common Shares.

"**Prospectus**" means this prospectus dated February 27, 2018.

"**Prospectus Receipt Date**" means the date that a receipt for a final prospectus qualifying the distribution of the Qualified Securities is issued to the Company from the securities regulatory authorities in British Columbia, Alberta, Ontario, Saskatchewan, and Nova Scotia.

"**Qualified Person**" means an individual who:

(a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these;

(b) has experience relevant to the subject matter of the Tuscarora Project and of the Technical Report; and

(c) is in good standing with a professional association and, in the case of a foreign association listed in Appendix A of NI 43-101, has the corresponding designation in Appendix A of NI 43-101.

"**Qualified Securities**" has the meaning as set forth on the face page of this Prospectus.

"**Regulation D**" means Regulation D promulgated under the U.S. Securities Act.

"**Seed Placement**" means the non-brokered private placement of the Company of 10,230,000 Common Shares for gross proceeds of $506,500, which completed on October 25, 2017.

"**Seed Shares**" means the Common Shares issued to the Seed Shareholders under the Seed Placement.

"**Shareholders**" means holders of Common Shares.

"**South Lida Agreement**" means the claims purchase agreement dated July 1, 2017 among the Company , Davin Saderholm and the Vendors.

"**South Lida Property**" means the twelve claims acquired by the Company pursuant to the South Lida Agreement.

"**Special Warrantholder**" means holders of Special Warrants.

"**Special Warrants**" means the special warrants issued by the Company at a price of $0.25 per Special Warrant, pursuant to the Private Placement entitling the holder thereof to acquire, for no additional consideration, one Common Share and one-half of one Warrant pursuant to the terms and conditions in the Special Warrant Certificate.

"**Special Warrant Certificate**" means a certificate representing Special Warrants.

"**Special Warrant Exercise Date**" means the date the Special Warrants are deemed to have been exercised into one Common Share and one-half of one Warrant, which is the earlier of the date that is (i) the third business day after the Prospectus Receipt Date and (ii) four months and one day after the issue date of the Special Warrants.

"**Stock Option Plan**" means the 10% rolling share option plan of the Company to be adopted by the Board, and providing for the granting of incentive options to the Company's directors, officers, employees and consultants in accordance with the rules and policies of the Exchange.

"**SW Hold Restrictions**" has the meaning as set out in "*Plan of Distribution*."

"**Technical Report**" means the report on the Tuscarora Project entitled "Technical Report Describing the Tuscarora Project Centered on 565568E/4573240N UTM WGS84 Zone 11N in Elko County, Nevada USA" prepared for the Company by the Author, in accordance with NI 43-101.

"**Trigger Event**" means the event which allows the Company to abridge the exercise period of the Warrants if the ten-day volume-weighted average trading price of the Common Shares is greater than $0.50.

"**TSX-V**" means the TSX Venture Exchange.

"**Tuscarora Exploration Program**" means the exploration program recommended by the Author on the Tuscarora Property.

"**Tuscarora Project**" or "**Tuscarora Property**" means the Company's material property which consists of 24 claims covering approximately 447 acres within the Tuscarora Mining District in Elko County, Nevada.

"**United States**" or "**U.S.**" means the United States of America, its territories or its possessions, any state of the United States or the District of Columbia.

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended.

"**Warrants**" means the common share purchase warrants of the Company issuable upon deemed exercise of the Special Warrants entitling the holder to acquire one Common Share at a price of $0.35 per Common Share for a period equal to the shorter of (a) one year after the Listing Date, and (b) five years after the issue date of the Special Warrants, subject to abridgement on an occurrence of a Trigger Event.

"**Warrant Shares**" means the Common Shares to be issued upon exercise of the Warrants.

"**Vendors**" means the vendors of the South Lida Property, namely, Eric Saderholm, Patricia Saderholm, Warwick Smith and Tarin Smith.

CURRENCY PRESENTATION

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to US$ are to United State (US) dollars. Canadian dollars are denoted as $ or C$.

The exchange rate on February 26, 2018, as reported by the Bank of Canada for the conversion of United States dollars into Canadian dollars was US$1.00 equals $1.26.

NOTE REGARDING FORWARD-LOOKING INFORMATION

This prospectus contains statements and information that, to the extent that they are not historical fact, may constitute "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information may include financial and other projections, as well as statements regarding future plans, objectives or economic performance, or the assumption underlying any of the foregoing. This prospectus uses words such as "may", "would", "could", "will", "likely", "except", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate", "outlook", and other similar expressions to identify forward-looking information. Examples of such statements include the proposed use of available funds; the objectives and business plans of the Company; the deemed exercise of the Special Warrants on the Special Warrants Exercise Date; the deemed exercise of the Debentures on the Debenture Exercise Date; the share capital of the Company; the listing on the CSE; the executive compensation of the Company; option grants by the Company; and the composition of the Board of Directors and management of the Company.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The material factors and assumptions used to develop the forward-looking statements contained in this prospectus include the Company's ability to obtain listing approval from the CSE and key personnel and qualified employees continuing their employment with the Company.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Accordingly, readers should not place undue reliance on any such forward-looking information. Further, any forward-looking statement speaks only as of the date on which such statement is made. New factors emerge from time to time, and it is not possible for the Company's management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. The Company does not undertake any obligation to update any forward-looking information to reflect information, events, results, circumstances or otherwise after the date hereof or to reflect the occurrence of unanticipated events, except as required by law including securities laws.

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

- mineral resource estimates;
- targeting additional mineral resources and expansion of deposits;
- the Company's expectations, strategies and plans for the Tuscarora Property and the South Lida Property, including the Company's planned exploration and development activities;
- the results of future exploration and drilling;
- the timing, receipt and maintenance of approvals, licences and permits from the government and from any other applicable regulator or administrative body, including
- future financial or operating performance and condition of the Company and its business, operations and properties; and

- any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements.

The actual results could differ materially from those anticipated in these forward-looking statements or information as a result of the risk factors set forth below and elsewhere in this prospectus:

- mineral exploration, development and operating risks;
- estimation of mineralisation, resources and reserves;
- environmental, health and safety regulations of the resource industry;
- competitive conditions;
- permitting and licencing risks;
- operational risks;
- negative cash flow;
- financing risks;
- exploration costs;
- uninsurable risks;
- conflicts of interest;
- government policy changes;
- ownership risks;
- market conditions;
- commodity prices;
- reliance on key personnel;
- other factors discussed under “Risk Factors”; and
- other risks and uncertainties described elsewhere in this Prospectus.

PROSPECTUS SUMMARY

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

The Company: APM is a company incorporated under the BCBCA. See "*Corporate Structure*".

Principal Business of the Company: The Company is currently engaged in the business of exploration of mineral properties in North America. The Company holds an option to acquire a one hundred percent interest in the Tuscarora Property pursuant to an option agreement dated November 6, 2017 with Novo Resources (USA) Corp.. The Company's objective is to explore and develop the Tuscarora Project. See "*Description of the Business*".

The Tuscarora Property The Tuscarora Property consists of 24 claims covering approximately 447 acres within the Tuscarora Mining District in Elko County, Nevada centered on UTM coordinates 565568E /4573240N. The Tuscarora Project is an epithermal low-sulfidation type gold property, which has had extensive reverse circulation drilling that outlines two target zones. See "*Property Description and Location*."

Private Placements: Pursuant to the Private Placement, the Company issued 11,365,000 Special Warrants and Debentures in the principal amount of $969,000, on December 22, 2017 and January 5, 2018. See "*Plan of Distribution*" and "*Description of Securities Distributed*".

Pursuant to the Seed Placement, the Company issued 10,230,000 Seed Shares on October 25, 2017. See "*Plan of Distribution*" and "*Description of Securities Distributed*".

Issue Price: C$0.05 per Seed Share

C$0.25 per Special Warrant

C$0.10 per Debenture

Qualified Securities This Prospectus is being filed to qualify the distribution of 11,365,000 Common Shares, 5,682,500 Warrants issuable upon the deemed exercise of 11,365,000 issued and outstanding Special Warrants and 9,690,000 Common Shares issuable upon the deemed exercise of the Debentures.

Listing The Company has applied to list its Common Shares on the CSE under the trading symbol "USGD" or such other symbol accepted by the CSE. Listing is subject to the Company fulfilling all of the requirements of the CSE, including minimum public distribution requirements. See "*Plan of Distribution*".

Use of Proceeds: As at January 31, 2018, the Company had estimated total available funds of $3,764,412 (based on its working capital of $3,615,787 as of December 31, 2017, plus the net proceeds from the second tranche closings of the Private Placement in the amount of $148,825). The Company will use the funds available to it as follows:

Principal Purpose	Amount to be Expended
To fund the recommended Tuscarora Exploration Program(1)	$1,262,000
To make cash payments due under the Option Agreement for the Tuscarora Project(2)	$250,000

To fund estimate general and administrative expenses for 12 months	$682,000
To pay the estimated costs incurred in connection with the Prospectus, including securities regulatory fees, Exchange fees, legal costs and audit costs	$140,000
To complete a geochemistry program on the South Lida Property	$20,000
Unallocated general working capital	$1,410,412
TOTAL	**$3,764,412.00**

Notes:

(1) See "*Exploration, Development, and Production*" for a detailed breakdown of the costs associated with the Tuscarora Exploration Program.

(2) Pursuant to the Option Agreement, the Company is required to make cash payments in the amount of C$125,000 on the Listing Date and on the first anniversary of the first payment. The third installment of the cash payment is due on the second anniversary of the first payment.

The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives. See "*Use of Available Funds*".

Directors and Officers of the Company:

As at the date of this Prospectus, the Board consists of Warwick Smith, Eric Saderholm, Ken Cunningham, Alnesh Mohan and Norman Wareham. The officers of the Company are Warwick Smith (Chief Executive Officer), Eric Saderholm (President) and Norman Wareham (Chief Financial Officer and Corporate Secretary). See "*Directors and Executive Officers*".

Eric Saderholm and Ken Cunningham both reside outside of Canada, and have appointed an agent for service of process in Canada. See "*Agent for Service of Process*".

Selected Consolidated Financial Information:

The following table contains certain audited consolidated financial information for the Company as at and for the period ended December 31, 2017. This information should be read together with the audited financial statements of the Company as at December 31, 2017, together with the accompanying notes which are included elsewhere in this prospectus.

	As at and for the period ended December 31, 2017 (audited) ($)
Total Expenses	$440,627
Total Assets	$3,775,369
Total Liabilities	$634,605
Total Equity	$3,140,764
Accumulated Deficit	$440,627

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

Risk Factors:

For a detailed description of these and other risks see "*Risk Factors*".

CORPORATE STRUCTURE

Name, address and incorporation

The Company was incorporated under the BCBCA on July 1, 2017 under the name "American Pacific Mining Corp."

The head office of the Company is located at Suite 910 - 510 Burrard Street, Vancouver, BC V6C 3A8. The registered and records office of the Company is located at Suite 1500 – 1055 West Georgia Street, PO Box 11117, Vancouver, British Columbia V6E 4N7.

Intercorporate relationships

The Company has one wholly-owned subsidiary, American Pacific Mining (US) Inc., which was incorporated in Nevada, United States pursuant to Chapter 78 of the *Nevada Revised Statutes* on January 13, 2018.

DESCRIPTION OF THE BUSINESS

The Company is engaged in the business of mineral exploration and its objective is to locate and develop mineral properties in Western United States.

On November 6, 2017, the Company entered into the Option Agreement with Novo to acquire a one hundred percent right, title and interest in and to the Tuscarora Property (the "**Option**"). The Tuscarora Property consists of 24 claims covering approximately 447 acres within the Tuscarora Mining District in Elko County, Nevada centered on UTM coordinates 565568E/4573240N. The Tuscarora District lies at the foot of Mount Blitzen on the eastern slope of the Northern Tuscarora Range.

The Tuscarora Property is the sole material property of the Company at this time, and the Company seeks to list its Common Shares on the Exchange with the Tuscarora Property as its qualifying property.

In consideration for the Option, the Company will (a) make cash payments to Novo of three hundred and seventy-five Canadian dollars (C$375,000), in three equal installments of one hundred and twenty-five thousand Canadian dollars (C$125,000) beginning on January 24, 2018; (b) deliver shares of the Company equivalent to two hundred thousand Canadian dollars (C$200,000), and (c) complete one hundred thousand US dollars per year in expenditures on the property. The Company may exercise the Option at any time after completing the cash and share payments.

Following the exercise of the Option, the Company has agreed to

(a) pay a royalty interest to Novo of one-half percent (0.5%) of Net Smelter Returns which may be reduced to nil (0%) by paying five hundred thousand US dollars (US$500,00);

(b) pay a royalty interest to Nevada Select Royalty, Inc. based on the New York COMEX price of gold per troy ounce, payable as follows:

Less than or equal to $1,500.00	Two percent (2.0%)
Greater than $1,500.00 but less than or equal to $2,000.00	Three percent (3.0%)
Greater than $2,000	Four percent (4.0%)

History

On July 1, 2017, the Company was incorporated under the name "American Pacific Mining Corp."

On July 1, 2017, the Company entered into the South Lida Agreement with the Vendors, a non-arm's length transaction pursuant to which the Company acquired an undivided 100% of all the Vendors' right, title, and interest in and to the South Lida Property. As consideration, the Company issued 500,000 Common Shares to the Vendors on signing of the South Lida Agreement. Under the South Lida Agreement, an additional 500,000 Common Shares are to be issued to the Vendors on the Listing Date; an additional 1,000,000 Common Shares are to be issued to the Vendors on the earlier of (i) six months after the Listing Date and (ii) the date the South Lida Property is sold or otherwise transferred as part of a transaction for value approved by the Board; and an additional 1,000,000 Common Shares on the earlier of (i) the one year anniversary after the Listing Date and (ii) the date the South Lida Property is sold or otherwise transferred as part of a transaction for value approved by the Board.

On October 25, 2017, the Company completed the Seed Private Placement and issued 10,230,000 Seed Shares and raised gross proceeds in the amount of $511,500.

On November 6, 2017, the Company entered into the Option Agreement with Novo to acquire a 100% interest in the Tuscarora Property.

On December 22, 2017, the Company completed the first tranche of the Private Placement pursuant to which the Company issued 10,655,000 Special Warrants for gross proceeds of $2,663,750 and issued Debentures in the principal amount of $867,500.

On January 5, 2018, the Company completed the second tranche of the Private Placement pursuant to which the Company issued 710,000 Special Warrants and issued Debentures in the principal amount of $101,500.

THE TUSCARORA PROJECT

Current Technical Report

The information in this Prospectus with respect to the Tuscarora Project is derived from, and in some instances is a direct extract from, and based on the assumptions, qualifications and procedure set out in a National Instrument 43-101 technical report prepared by E.L. "Buster" Hunsaker III, CPG 8137 of Hunsaker Inc., titled "Technical Report Describing the Tuscarora Project Centered on 565568E/4573240N UTM WGS84 Zone 11N in Elko County, Nevada, USA" , effective January 15, 2018. Such assumptions, qualifications and procedures are not fully described in this Prospectus and the following summary does not purport to be a complete summary of the Technical Report. Reference should be made to the full text of the Technical Report, which is available for review under the Company's profile on SEDAR at www.SEDAR.com.

The qualified person responsible for the Technical Report is E.L. "Buster" Hunsaker III, CPG 8137 of Hunsaker Inc.

Project Description and Location

The following disclosure under "*Project Description and Location*" has been extracted from the Technical Report.

The Tuscarora Project is an epithermal low-sulfidation type gold property, which has had extensive reverse circulation drilling that outlines two target zones. The historic drilling intersected up to 182 g/t gold in quartz-adularia veins at relatively shallow depths. The historic results suggest that a staged exploration program can advance this property towards discovery. It is a Project that is worthy of additional work.

The Tuscarora Project claims cover a gentle southeast slope along the south and eastern edge of the historic town of Tuscarora. Elevation ranges from ranges from 5,900 to 6,120 feet. Vegetation is typical of high desert in the Basin and Range terrane, consisting primarily of sagebrush and grasses.

Tuscarora is easily reached by vehicle traveling north from Elko, Nevada on paved Nevada State Highway 225 for about 26 miles, then 27 miles northwest on Nevada State Highway 226 to the Midas-Tuscarora Road and proceeding approximately 5 miles to the town of Tuscarora Project area.

The property claims approximately 447 acres within the Tuscarora Mining District in Elko County, Nevada centered on UTM coordinates 565568E /4573240N (Figure 1). The claims are within sections 2 and 3, T39N/R51E and section 35, T40N/R51E, 40 air miles northwest of Elko, Nevada.

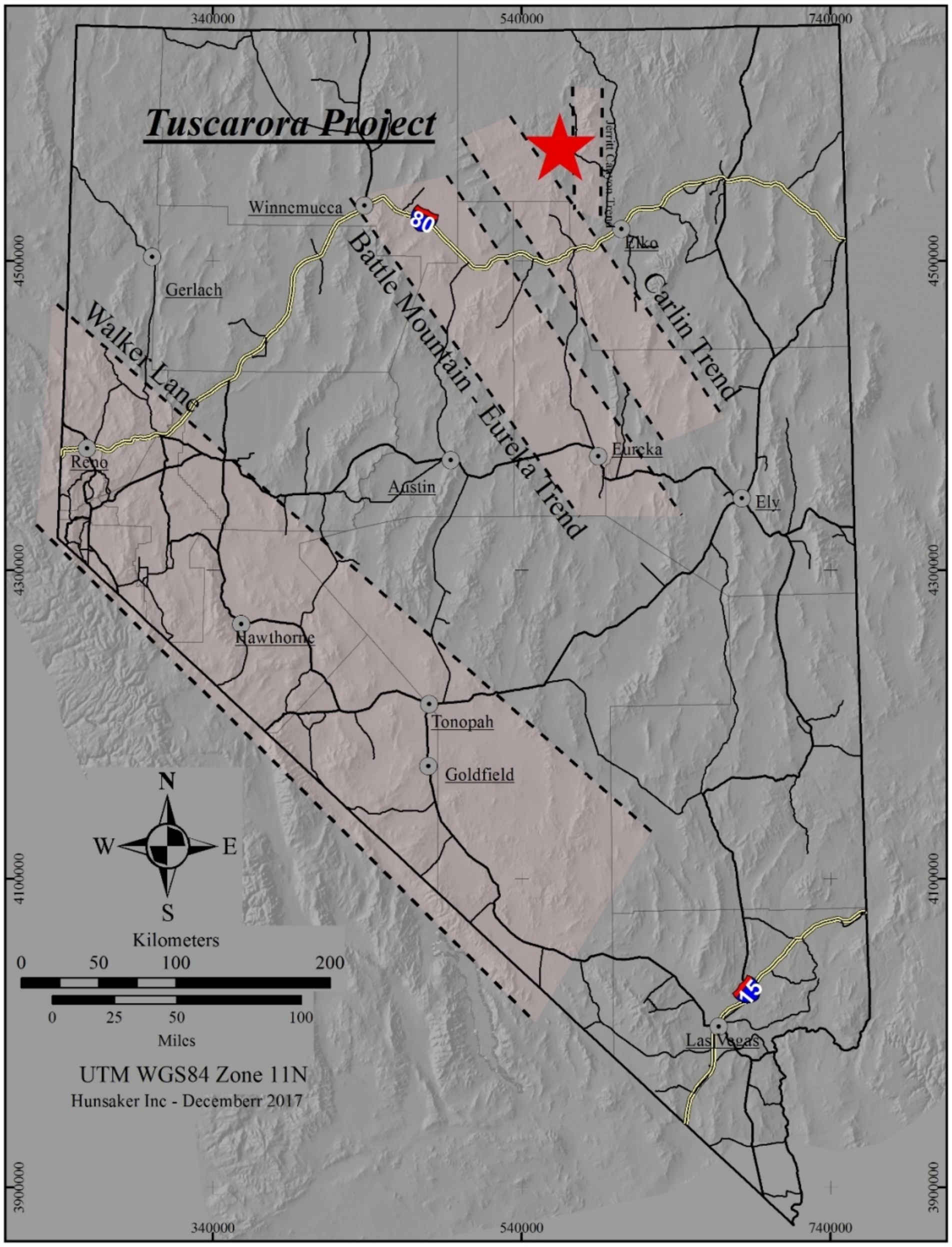

Figure 1: Tuscarora Project - Location Map

Tenure consists of 24 Federal unpatented lode claims in the Tuscarora Mining District (Figure 2 and (Table 1). Claims are on lands managed by the U.S. Department of Interior – Bureau of Land Management ("**BLM**").

Claim Name	BLM Serial No.
TN 1	NMC1105496
TN 2	NMC1105497
TN 3	NMC1105498
TN 4	NMC1105499
TN 5	NMC1105500
TN 6	NMC1105501
TN 7	NMC1105502
TN 8	NMC1105503
TN 9	NMC1105504
TN 10	NMC1105505
TN 11	NMC1105506
TN12	NMC1105507
TN 13	NMC1105508
TN 14	NMC1105509
TN 19	NMC1105510
TN 20	NMC1105511
TN 21	NMC1105512
TN 22	NMC1105513
TN 23	NMC1105514
TN 24	NMC1105515
TN 25	NMC1105516
TN26	NMC1105517
TN27	NMC1105518
TN28	NMC1105516

Table 1: Tuscarora Project Claims

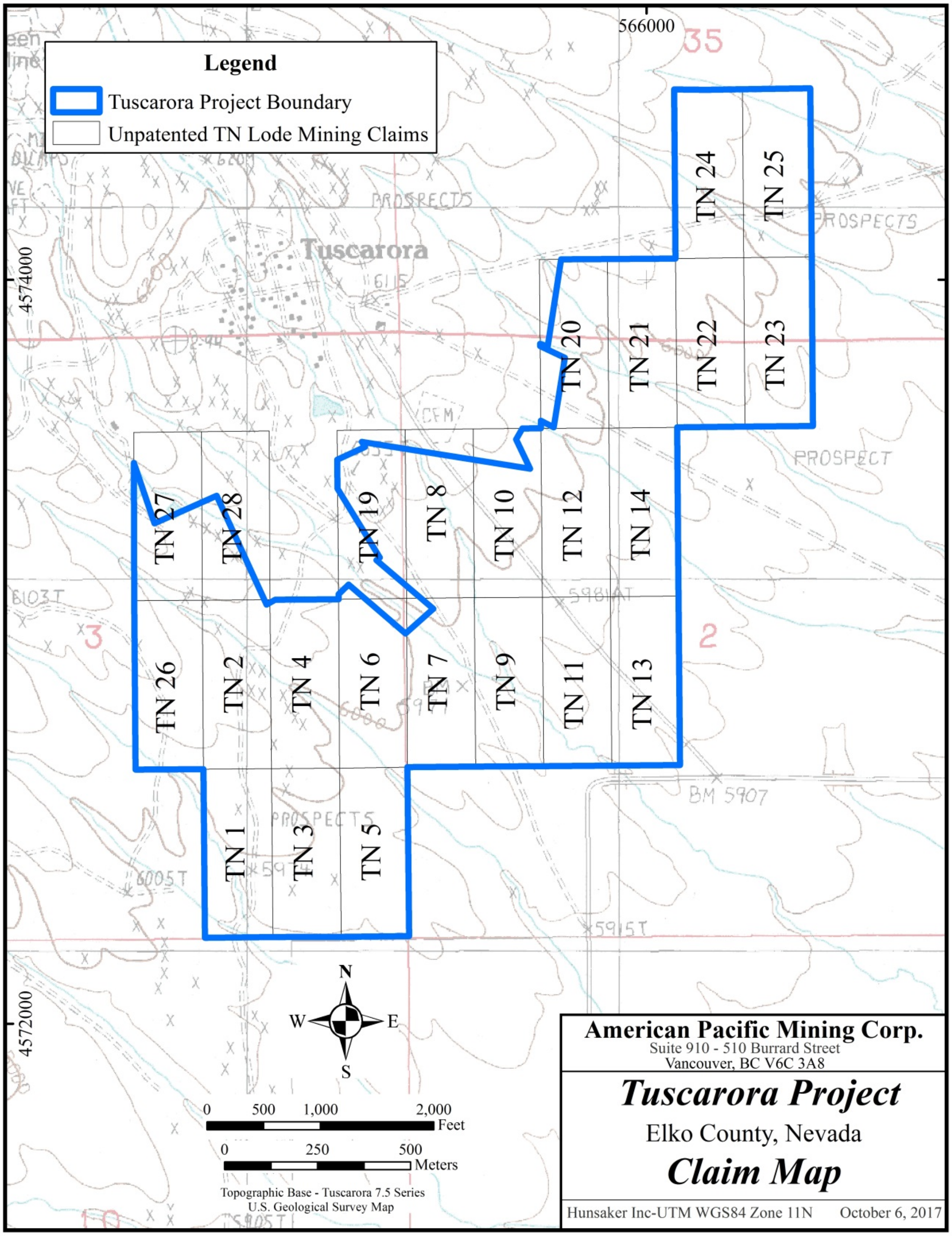

Figure 2: Tuscarora Project - Land Map

Federal unpatented lode claims require an annual maintenance fee payment of $155 per claim due on or before September 1 of each year. The next payment is due by September 1, 2018. Additionally a “Notice of Intent to Hold” must be filed with Elko County on or before November 1 of each year. The filling requires a payment of $12.00 per claim and a document fee of $10.00. The next filing is due by November 1, 2018. All payments and filings are current.

On November 6, 2017, the Company entered into the Option Agreement with Novo to acquire a one hundred percent interst in the Tuscarora Property. In consideration of the option, the Company will make cash payments to Novo of three hundred and seventy-five (CAD$375,000) Canadian dollars, in three equal installments of one hundred and twenty-five thousand Canadian dollars (CAD$125,000) beginning on the Listing Date or January 31, 2018, whichever comes first. Subsequent installments are due on the first and second anniversaries of the first payment.

The Company has warranted to Nova that it will use all commercially reasonable efforts to list its securities on the Exchange. Subsequent to that listing, the Company will issue two hundred thousand (CAD$200,000) Canadian dollars in Common Shares to Novo in three equal installments with one-third issued on each of the Listing Date and the first and second anniversaries of the Listing Date.

The number of Common Shares to be issued shall be determined on the Listing Date by dividing the amount of two hundred thousand (CAD$200,000) Canadian dollars by the Canadian dollar listing price of the Common Shares on the Listing Date. The Canadian dollar listing price of the Common Shares on the Listing Date shall be deemed to be to equal the price at which the Common Shares are sold in the last equity financing closed on or before the Listing Date. In the event that the Common Shares are consolidated, subdivided, exchanged, reclassified, or in any way substituted for the Common Shares after the Listing Date, the Common Shares issuable will be similarly adjusted.

The Company has also agreed to complete a total of one hundred thousand (USD$100,000) US dollars in expenditures on the Tuscarora Property starting in the twelve (12) month period commencing on the first anniversary of the Listing Date and per each successive 12-month period thereafter.

Any excess in the amount of expenditures incurred by the Company on the Tuscarora Property during any one of the periods will be applied as a credit against expenditures required to be incurred by the Company during any subsequent period of time with respect to the Tuscarora Property. Any deficiency in the amount of expenditures incurred by the Company on the Tuscarora Property during any one of the periods referred to may be cured by the Company paying to Novo in cash within 30 days of notice of the deficiency an amount equal to the deficiency in such Expenditures.

The Company may exercise the Option at any time after completing the cash and share payments by completing the notice to Novo of such. Following the exercise of the Option, APM will be obligated under the Option Agreement to pay the following:

(a) royalty interest to Novo of one-half percent (0.5%) of Net Smelter Returns which may be reduced to nil (0%) by paying five hundred thousand US dollars (US$500,00);

(b) royalty interest to Nevada Select Royalty, Inc. based on the New York COMEX price of gold per troy ounce, payable as follows:

Less than or equal to $1,500.00	Two percent (2.0%)
Greater than $1,500.00 but less than or equal to $2,000.00	Three percent (3.0%)
Greater than $2,000	Four percent (4.0%)

History

The Tuscarora Mining District is in a modern day major gold producing region of Nevada. During the District's early history (1867-1900) over half of the gold produced in Elko County came from Tuscarora (Paher, 1970). Placer gold was discovered in the district in 1867 and production of silver-gold lode deposits began in 1875 (LaPointe, et al., 1991). Total precious metal production between 1867 and 1990 consists of 244,000 ounces of gold and 7,632,000 ounces of silver from quartz veins and quartz stockwork mineralization (Castor, et al., 2003). This includes up to 34,000 ounces of placer gold estimated by Nolan in 1936 (Johnson, 1973).

A great deal of information exists regarding the 150 years of historic exploration and production. There are three distinct periods of historical gold and silver production and exploration.

1867 to 1930

In 1867, early gold production came from placer deposits that a Shoshone Indian identified for a trader. The trader convinced six Austin Nevada prospectors to join him on a prospecting expedition. They started on McCann Creek two miles southwest of the future townsite of Tuscarora. The miners organized the District and named it after a warship from the U.S. Civil War. Another 300 miners followed when news of the discovery reached Austin. The following year, nearby vein-type-gold deposits were found, but the mining and milling was not successful.

In 1871, W.O. Weed discovered rich northeast trending silver veins on the east flank of Mt. Blitzen (Paher, 1970). By 1875, the first shipments of silver ore were made and in 1876 bonanza silver ore was found in east-northeast trending veins at the Grand Prize mine, less than a mile northwest of the town (LaPointe, et al, 1991). By 1879, the silver rush was on and production ramped up dramatically. The 1880 census showed 1400 Americans (Chinese placer miners were not tallied), 10 mines, and three mills.

Mines in the northeast trending zone around the Grand Prize included the Independence, Defrees, and Argenta. Nolan (1936) noted that these were silver dominant with a silver-gold ratio of about 150:1.

Although the Grand Prize was one of the deepest shafts (750 feet), most of the development in the district came from a belt of mines to the west town that developed northwest striking veins. Mines along the northwest trend include the North Commonwealth, Commonwealth, Nevada Queen, North Belle Isle, Bell Isle, Navajo, and Dexter.

Near the end of the 1900's, mining began in the low silver, higher-grade gold, southern part of the district. The Dexter mine located immediately south of town, had the most production; approximately 40,000 ounces of gold and 100,000 ounces of silver, between 1897 and 1935 (Nolan, 1936 and LaPointe, et al., 1991). After 1905, almost all of the district-production came from the Dexter.

Underground mining at the Dexter moved outward from higher grade silver and gold quartz-adularia veins into a broader silicified and adularized zone of lower grade stockwork quartz-adularia veinlets mixed with lesser quartz veins. All of which are hosted in lapilli airfall tuffs & ash flows of dacitic composition and fine-grained epiclastic tuffs.

1930 to 1982

From 1930 to 1982, work focused on bulk-minable, low-grade gold-silver ore. Many of the early dumps were reworked using heap-leaching techniques; these included the Commonwealth, Grand Prize, Navajo, Nevada Queen, and North Belle Isle mines (LaPointe, et al., 1991). LaPointe, et al. notes numerous operators' reprocessed placer and lode gold waste/spoil piles into the late 1970's. Many of the early efforts suffered from underfunding, poor recoveries, or fires that destroyed recovery plants (Nolan, 1936).

Ristorcelli and Goodall (2003) summarized the District-wide exploration from the 1960's forward. Prior to 1982 four companies completed sporadic exploration-drilling programs in several areas throughout the District.

- 1967: Cyprus Minerals-Kings Prospect area

- 1968: Eklund Drilling-Kings Prospect area
- 1968: Standard Magnesia– old Dexter Mine area, adjacent to Tuscarora Project
- 1981: Duval-Modoc Hill area

1982 to Present

Since 1982, the District had a sustained, exploration effort. This effort has been almost continuous with each subsequent operator building on the previous work. Ultimately, this work focused in the area covered by the Tuscarora Project.

From 1982 to 1995, the companies include:
1983-1984: Shell Oil-District wide
1983: Hecla-Silica Prospect
1984: Northern Dynasty-Kings Prospect area and western part of District
1986 & 1988: Jedediah Minerals Company & Cruson and Panze Geologists-District wide, including Modoc Hill and Battle Mountain areas
1989-1990: Horizon Gold Corporation and Chevron –Dexter Open Pit Mine,

> Crawford (1992) summarized Nevada Department of Taxation records indicating Horizon produced 39,976 ounces of gold and 254,660 ounces of silver from the Dexter Open Pit between 1998 and 1991.
>
> The Horizon mine occupied the area of the old Dexter Mine area and is immediately adjacent to the Tuscarora Project that is the subject of this report.
>
> Three of Chevron's holes encountered "significant mineralization" in the area of Revenue Hill, (South Navajo Vein Area). One hole had 100 ft of 0.02 oz Au/ton, and another had 50 ft of 0.05 oz Au/ton.

1991: Corona-Silverado Prospect
1992: Battle Mountain-western part of District

From 1995 to 2001, Newcrest Resources Inc followed by Newmont/Franco Nevada Mining Corp carried out district wide exploration campaigns consisting of detailed compilation of historic data, drilling, geophysics, and geologic mapping (Table 2). The later phases of that program drilling focused on the South Navajo Vein Area.

Year	Company	Work
2014	Nevada Eagle LLC and Platoro West Incorporated	Ground lapsed and restaked
2012/13	Wolfpack Gold Corp	Permitting and reclamation
2010/11	Golden Predator Mines US Inc.	Reclamation Work
2009	Golden Predator Mines US Inc.	Permitting and reclamation
2008	Golden Predator Mines US Inc.	Permitting
2008	Canyon Resources Ltd	Aerial Photography
2007	Canyon Resources Ltd	Geophysics?
2005	Terraco Gold Corp	4 RC holes (2,920 feet)
2003	Terraco Gold Corp	CSAMT Survey
2001	Franco Nevada Mining Corp	Permitting (Plan of Operation)
2000	Franco Nevada Mining Corp	Internal Estimation
1998/9	Newcrest Resources Inc	RC Drilling (27,000 ft); some core)
1997	Newcrest Resources Inc	RC Drilling (1800 feet); petrography
1996	Newcrest Resources Inc	Mapping, RC drilling (12,000 feet)
1995	Newcrest Resources Inc	Compilation and targeting, drilling

Table 2: Summary of Work
(adapted from Lindsay, 2016)

The Tuscarora Project (this report) lies south and east of the Dexter open-pit. Newcrest drilled this area. Table 3 notes significant results summarized by Lindsay (2016) from the Newcrest Drilling.

Zone	HoleID	Interval (ft)	Interval (m)	Gold Grade (g/t)	Year
Navajo/South Navajo Vein	TCN2	5	1.5	30	1995
Navajo/South Navajo Vein	TCN3	5	1.5	5.3	1995
Navajo/South Navajo Vein	TN38	5	1.5	182	1998
Navajo/South Navajo Vein	TN40	5	1.5	19	1998
Navajo/South Navajo Vein	TN54	5	1.5	51	1998
East Pediment	TN57	10	3	28.2	1998
East Pediment	TN63	5	1.5	4.6	1998

Table 3: Reported drill intercepts of select target zones in the Tuscarora Property
(McCusker, 1999)

The assay values demonstrate narrow and somewhat discontinuous shoots of high-grade gold (up to 182 g/t Au). Newcrest described coarse visible gold that created a metallurgical nugget effect (Jones, 1999).

Subsequent to the Newcrest drilling Franco Nevada, Terraco, Canyon Resources, Golden Predator, and Wolf Pack completed District-wide exploration and/or planning with no new significant additions to the historic exploration data set (Table 2).

In 2015, Novo Resources Corp acquired the 24 TN claims (Table 1) and spent considerable effort to compile and evaluate the historic data using a modern GIS data format. They drilled 10 reverse circulation (RC) drill holes to follow-up on the high gold values drilled by Newcrest (Table 3).

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Novo reported the following:

Hole Number	From (ft)	To (ft)	Length (ft)	Au (opt)	From (m)	To (m)	Length (m)	Au (gpt)
16TSRC-001	290	305	15	0.039	88.4	93.0	4.6	1.21
	550	560	10	0.192	167.7	170.7	3.1	5.96
	555	560	5	0.232	169.2	170.7	1.5	7.20
16TSRC-002	500	515	15	0.029	152.4	157.0	4.6	0.90
	520	530	10	2.385	158.5	161.6	3.1	74.18
including	**525**	**530**	**5**	**4.614**	**160.1**	**161.6**	**1.5**	**143.50**
	530	555	25	0.022	161.6	169.2	7.6	0.69
	600	610	10	0.035	182.9	186.0	3.1	1.09
	620	645	25	0.055	189.0	196.7	7.6	1.70
including	**625**	**630**	**5**	**0.145**	**190.6**	**192.1**	**1.5**	**4.51**
16TSRC-003	240	245	5	0.040	73.2	74.7	1.5	1.25
	320	375	55	0.023	97.6	114.3	16.8	0.73
	385	440	55	0.031	117.4	134.1	16.8	0.96
including	**390**	**395**	**5**	**0.100**	**118.9**	**120.4**	**1.5**	**3.11**
16TSRC-004	205	245	40	0.048	62.5	74.7	12.2	1.50
including	**205**	**210**	**5**	**0.167**	**62.5**	**64.0**	**1.5**	**5.20**
16TSRC-005	330	355	25	0.029	100.6	108.2	7.6	0.89
	395	400	5	0.068	120.4	122.0	1.5	2.10
16TSRC-006	505	510	5	0.691	154.0	155.5	1.5	21.50
	655	660	5	0.065	199.7	201.2	1.5	2.03
16TSRC-007	Hole lost due to bad ground conditions							
16TSRC-008	Hole deviated from target							
16TSRC-009	Hole lost due to bad ground conditions							
16TSRC-010	135	160	25	0.038	41.2	48.8	7.6	1.18
	265	380	115	0.055	80.8	115.9	35.1	1.72
including	**280**	**290**	**10**	**0.237**	**85.4**	**88.4**	**3.1**	**7.37**
	425	435	10	0.077	129.6	132.6	3.1	2.40

Table 4: Tuscarora Project-Novo Resources Corp. Significant Drill Results
(from Novo Resources Corp., 2016)

Novo drilling summaries and rig-side notes reported visible gold and high-water flows (Sterling, 2016). These communiques noted and discussed discrepancies in assay values and visible gold. As is typical using RC instead of core, when drilling high-grade gold veins Novo saw visible gold in quartz veined areas that returned less grade than might be expected and higher grades where no visible gold was seen. They proposed additional metallurgical and assay work that was not completed.

Geological Setting, Mineralization and Deposit Types

Local and Property Geology

The Tuscarora volcanic field is the largest example of Eocene age magmatism in Nevada, having formed between ~39.9 and 39.3 Ma, which in part corresponds to the 40 – 37 Ma age of gold mineralization in the Carlin Trend, representing the strongest period of gold mineralization known in the Basin and Range Province (Henry et al, 1998; Castor et al, 2003). The most intense magmatism occurred to the southeast in an area of ~175 mi² that encompasses at least five major volcanic centers including the Mount Blitzen volcanic center.

The Tuscarora Mining District lies along the southeast side of Mount Blitzen. The geology of the Mount Blitzen volcanic center has been variably mapped as a stratovolcano, a caldera, and a volcano-tectonic graben, which indicates the complex volcano-magmatic nature of this feature (Henry et al., 1998). Massive thicknesses of dacitic domes, dacitic air-fall and pyroclastic ash-flow tuffs, and reworked epiclastic deposits fill this volcanic center (Henry et al, 1998).

The oldest rocks in the area, cropping out approximately 1.5 miles north of the town of Tuscarora, are chert and quartzite of the Ordovician Valmy Formation. This sedimentary basement is overlain by up to 5,000 feet of Eocene Mt. Blitzen and Pleasant Valley volcanic rocks which are composed of dacitic to andesitic flows, dacitic domes, pyroclastic flows, breccias, ashflow tuffs, and tuffaceous sedimentary rocks. These are intruded by porphyritic biotite hornblende dacite. Overlying these rocks are up to 500 feet of Tertiary to Quaternary-age alluvium gravels and lacustrine deposits that thicken southward.

The base of the volcanic sequence is a thick moderately-welded, latitic, lithic and pumice lapilli tuff. The tuff becomes more fine-grained upward gradationally with no apparent depositional breaks. Volcaniclastic and sedimentary rocks that vary greatly in thickness, continuity, and distribution overlie the tuff. Sedimentary rocks in this sequence range from siltstone to conglomerate, and consist of mostly reworked volcanic rocks and some clasts of Paleozoic quartzite, chert, and shale. The volcaniclastic rocks in the sequence include clast-rich breccia and fine pumiceous ash-flow tuffs. Dacitic lava flows unconformably overlay the volcaniclastic sequence. The volcanic sequence consistently dips 10° to 45° southeast, except where disrupted by faulting. In the vicinity of the dacite intrusions, sedimentary rocks are deformed and layering is dipping in a variety of directions. Porphyritic biotite-hornblende dacite dikes, sills, and small stocks intrude the volcanic rocks. These intrusions are in contact with the lithic-pumice lapilli tuff along faults. Contacts are marked by clay-rich rubble zones.

The Tuscarora Mining district lies approximately 25 miles northeast of the Carlin Trend, approximately 14 miles southwest of the Jerritt Canyon deposit, and approximately 30 miles east-northeast of the Midas deposit. The district clearly displays gold and silver in low sulfidation epithermal quartz-adularia veins and stockwork veins associated with dacitic intrusives and structures formed along the southeast margin of Mount Blitzen. The northern silver-rich portion of the precious metals district occurs immediately north of the Project area. The silver-rich portion has high Ag:Au ratios (>100), strong base metals, and typically display narrow alteration selvages around quartz-carbonate veins hosted mostly in intrusive dacite. In contrast the southern gold rich portion of the district, including the historic Dexter Mine and the Tuscarora Project, have relatively low Ag:Au ratios (<15), contain almost no base metals, underwent local boiling, and displays widespread silicification and adularization along with stockwork veining and vug-fills in tuffs and fine-grained epiclastic rocks.

Both zones have relatively high As and Sb, and low Bi, Te, and W, but the northern silver zone has distinctively high Ca, Pb, Mn, Zn, Cd, Tl, and Se, whereas the southern gold zone has high Hg and Mo (Boden, et al, 1993; Castor, et al, 2003).

Mineralization

Historical work has documented gold and silver production throughout the Tuscarora District. History – *1982 to Present* describes several drilling phases with multiple drill holes containing gold mineralization within the South Navajo Vein and East Pediment areas. Historic drilling by Novo (Table 4) and Newcrest (Table 3) outlined vein zones with 5 to 40 feet of gold mineralization intersected in drilling.

The work completed and data available are insufficient to determine the length, width, depth, or continuity of the mineralization. However, the mineralization indicated by these intervals indicates further work is justifiable. The historic work is not of sufficient density and veracity to determine a quantifiable distribution of gold and no mineral resources or reserves have been defined on the Project.

Novo drilling descriptions indicate the higher-grade gold values and intervals are coincident with sulfide-bearing and oxidized quartz veins. These vein-zones are commonly within quartz-adularia altered tuff or are surrounded by chloritic zones in the tuff.

Deposit Types

Gold and silver in the Tuscarora District is found in quartz-adularia veins hosted in volcanic rocks. Gold in placer-type deposits also played an important role in the early development of the District but are no longer of commercial interest.

Geologic work beginning with Nolan (1936) identified the strong association of quartz- adularia, along with carbonate, sericite, and pyrite in veins & vein stockworks. In general there is widespread propylitization throughout the intrusive rocks in the District. More recent work by Castor, et al. (2003) commented, "*The district is a particularly clear example of association of low-sulfidation deposits with igneous activity and structure…*". They further describe the unusual occurrence of distinct, silver dominance (Ag:Au ratio =110-150) in the northern part of the district and immediately adjacent to that the gold dominance (Ag:Au ratio = 4-14) in the southern part of the district.

The southern gold dominant, low-sulfidation veins and vein stockwork zones are the primary deposit-type of interest in for this Project.

Exploration

The Company has done no exploration on the Tuscarora Property.

Drilling

The Company has done no drilling on the Tuscarora Property.

Sampling, Analysis and Data Verification

American Pacific Mining Corp. has done no sampling on the Tuscarora Property.

Samples TR-1 to TR-3 were collected for data verification. They remained in the possession of the author until delivered directly to the Bureau Veritas Minerals (BV-M) sample preparation facility in Elko, Nevada. BV-M is an accredited laboratory with industry standard certifications ISO17025-Scope of Accreditation (Bureau Veritas Commodities Canada, 2015) and ISO9001-Quality Management System (Bureau Veritas Minerals, 2015).

The samples were prepared using a standard rock crush and pulverization with 70% passing -2mm and then pulverized; with >85% of 300g passing 75 µm. Using a 30g split gold content is determined with a fire assay fusion & AA finish. Forty-five (45) other element contents are determined using a 4-acid digestion and ICP multispectral process (Table 5).

Analyte	Au	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U
Unit of Measure	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	%	PPM	PPM
Lower Limit of Detection	*0.005*	*0.1*	*0.1*	*0.1*	*1*	*0.1*	*0.1*	*0.2*	*1*	*0.01*	*1*	*0.1*
TR-1	0.305	0.5	5	18.2	12	5.7	1.6	2.9	91	4.7	160	2.6
TR-2	0.441	2.9	24.1	20.2	75	24.6	2.7	4	488	2.96	186	3.6
TR-3	0.077	0.8	8.1	20.3	27	13.5	1.2	2	1027	1.43	194	2.8

Analyte	Th	Sr	Cd	Sb	Bi	V	Ca	P	La	Cr	Mg	Ba
Unit of Measure	PPM	PPM	PPM	PPM	PPM	PPM	%	%	PPM	PPM	%	PPM
Lower Limit of Detection	*0.1*	*1*	*0.1*	*0.1*	*0.1*	*1*	*0.01*	*0.001*	*0.1*	*1*	*0.01*	*1*
TR-1	6.3	130	<0.1	8.7	0.2	17	0.03	0.005	20.2	3	0.07	55
TR-2	9.9	196	0.3	34.6	<0.1	51	0.11	0.036	29.3	6	0.05	1621
TR-3	10.3	138	0.1	10.7	0.2	17	0.08	0.022	32.4	2	0.09	1848

Analyte	Ti	Al	Na	K	W	Zr	Ce	Sn	Y	Nb	Ta	Be
Unit of Measure	%	%	%	%	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM
Lower Limit of Detection	*0.001*	*0.01*	*0.001*	*0.01*	*0.1*	*0.1*	*1*	*0.1*	*0.1*	*0.1*	*0.1*	*1*
TR-1	0.126	4.64	0.067	5.57	1.4	97.5	52	1.6	9.8	10.5	0.6	1
TR-2	0.238	5.99	0.18	6.58	3.1	105.6	62	1.3	14	10.2	0.6	1
TR-3	0.192	5.12	0.145	5.49	3.4	88.8	64	1.6	11.3	11.6	0.6	2

Analyte	Sc	Li	S	Rb	Hf	In	Re	Se	Te	Tl	Job Number
Unit of Measure	PPM	PPM	%	PPM	PPM	PPM	PPM	PPM	PPM	PPM	
Lower Limit of Detection	*1*	*0.1*	*0.1*	*0.1*	*0.1*	*0.05*	*0.005*	*1*	*0.5*	*0.5*	
TR-1	2	28.6	4.6	273.1	2.7	<0.05	<0.005	3	<0.5	5.1	EKO17000195
TR-2	6	34.8	<0.1	279.8	2.7	0.05	<0.005	<1	<0.5	6.6	EKO17000195
TR-3	3	35.2	<0.1	227	2.5	<0.05	<0.005	<1	<0.5	6.4	EKO17000195

Table 5: Verification Sample Results for TR-1, TR-2, TR-3

Samples TR-1 to TR-3 collected for data verification are shown on Table 5. These samples provided geochemical results to compare to information in Item 6.0-History. Direct comparison is not practical since most of the data for this project consists of drill sample geochemical data; as well as lack of information regarding the collection procedure, analytical techniques, or labs for the historic samples. However, the order of magnitude-similarity for gold and silver are sufficient to suggest that historical data are reasonable. Thus, these data are appropriate and viable for interpretation of the data, conclusions, and proposing further work.

The author did not pursue verification of the historic drilling data. These data are consistent from company to company, as each entity carried out their exploration programs. Thus, the historic data is adequate for determining if Tuscarora is a project worthy of further exploration.

The non-historical data presented in this report is from published academic, professional, and governmental groups. The author is familiar with the regional setting from professional experience and believes this data is adequate.

Mineral Processing and Metallurgical Testing

There has been no mineral processing or metallurgical testing on the Tuscarora Property.

Mineral Resource and Mineral Reserve Estimates

There have been no mineral resource estimates made for the Tuscarora Property and there have been no mineral reserve estimates calculated for the Tuscarora Property.

Mining Operations

There have been no mining methods determined for the Tuscarora Property.

Processing and Recovery Operations

There are no recovery methods for the Tuscarora Property.

Infrastructure, Permitting and Compliance Activities

There are no project infrastructure plans for the Tuscarora Property.

There are no environmental studies, nor studies for permitting, nor studies for social or community impact on the Tuscarora Property.

Capital and Operating Costs

There are no capital or operating cost studies for the Tuscarora Property., and there has been no economic analysis performed for the Tuscarora Property.

Exploration, Development, and Production

The long-lived nature of the historic work at Tuscarora points to an integrated exploration effort designed to better understand the geometry of the veins and develop sampling techniques that will address the coarse gold. A single extensive exploration project is warranted with drilling and sample methods adapted as the work is in progress. Thus, a continuous program is proposed, with a natural decision point built into the drilling portion, should it be necessary to adjust the core drilling for length of holes, drilling technique (oriented core use or not), and assay methods. Therefore, part 4 is divided into two parts.

Recommended Exploration Program (the "**Tuscarora Exploration Program**")

1. Evaluate the coarse gold nature of the high-grade analyses from the historic work by Novo and Newcrest using remaining sample material from Novo to carry out metallurgical screen assays. This will provide a sound basis with which to proceed with future drill sampling and improve on the analytical protocols.

2. Complete Gradient Array IP and Ground-based gravity geophysical surveys to better define the vein locations, to develop a more detailed understanding of the vein orientations, and improve the understanding of fault offsets.

3. Combine the historic GIS and compilation work completed with the geophysical results to delineate drill hole collar locations, azimuths, and inclinations that will best extend previous high-grade gold intercepts.

4a. Drill core holes adjacent to higher grade Novo drill intercepts utilizing oriented core-drilling methodologies for the South Navajo Vein area. Also, drill core holes to test for strike and dip extensions of the veins. Drill RC holes in the South Navajo Vein and East Pediment areas as scout holes to test results of geophysical surveys. Approximately 4,200 feet of core (6 holes) and 2,800 feet of RC (3 holes) is estimated.

4b. Approximately 7,000 feet of core (10 holes) are recommended to extend the veins along their strike and dip in the South Navajo and East Pediment areas. This would utilize the data from 4a. to adjust drilling and sampling methods as required.

Using a staged start for each task the 4 items can be carried on at the same time. Once initiated, the metallurgical screens and evaluation of the historic data do not have to be completed in order to begin the drilling program. Long lead times on core hole completion, cutting the core, and getting assay results will allow for several of the core twin holes to begin early in the exploration effort. Geophysics can begin early in the program so that as the drilling of the known areas progresses, then later drilling can benefit from that work to test for vein extensions and blind veins.

The total budget for this program estimated to be $1,262,000 (Table 6).

Tuscarora Project	*Elko County*	*Nevada*		
Geology	***Estimate***	***Rate ($)***		***Cost ($)***
Geology-Compilation/Evaluation	90	$650.00		$58,500
Travel Expenses (room & board)	90	$140.00		$12,600
Mileage	1998	$0.60		$1,199
			Subtotal	**$72,299**
Drilling				
Drilling-Rig Costs				$614,891
Drill Sample Assaying				$102,200
Drill Supervision/Logging	286	$650		$185,900
Review of Results	0	$650		$0
Travel Expenses (room & board)	286	$140.00		$40,040
Mileage	31746	$0.60		$19,048
Oriented Core Program (use 5% add on form tooling/implementation)				$13,761.53
Core Storage Warehouse (Annual)	1	$18,000.00		$18,000
Core Cutting	112	$160.00		$17,920
Drill Site Preparation & Reclamation				$33,860.00
			Subtotal	**$1,045,620**
Analytical	0			$0
Metalurgical Screen Samples	100	$60		$6,000
Geochemical Sampling (Rocks)	0	$0		$0
Geochemical Sampling (Assays)	0	$52		$0
			Subtotal	**$6,000**
Geophysics				
Geophysics (Gravity)	100	$40		$4,000
Geophysics (Magnetics)	0	$120		$0
Geophysics (IP) ($4000 mob & $2,250 per km)	25	$2,250		$60,250
Geophysics (CSAMT)	0	$0		$0
Geophysics (Interpretation)	1	$2,000		$2,000
			Subtotal	**$66,250**
Contingency		5%		$59,508
		$1,249,677	***Total***	***$1,249,677***

Table 6: Exploration Program Budget

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Selected Financial Information of the Company

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of the Company for the period from incorporation (July 1, 2017) to December 31, 2017 and notes thereto included in this prospectus, and should be read in conjunction with such financial statements and the related notes thereto, along with the Management's Discussion and Analysis ("**MD&A**") included in Exhibit A of this Prospectus. All financial statements of the Company are prepared in accordance with International Financial Reporting Standards.

All amounts referred to as being derived from the financial statements of the Company are denoted in Canadian Dollars.

	As at and for the period from incorporation to December 31, 2017 (audited) ($)
Total Expenses	$440,627
Total Assets	$3,775,369
Total Liabilities	$634,605
Total Equity	$3,140,764
Accumulated Deficit	$440,627

Management's Discussion and Analysis

The MD&A of the Company from the date of incorporation (July 1, 2017) to December 31, 2017 is attached to this Prospectus as Exhibit A.

The MD&A for each of the Company should be read in conjunction with the financial statements and the accompanying notes thereto included in this prospectus. Certain information contained in the MD&A constitutes forward-looking statements. These statements relate to future events or to our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward looking statements. See "*Forward-Looking Statements*" and "*Risk Factors*".

USE OF AVAILABLE FUNDS

Available Funds

The Company will not receive any additional proceeds from the deemed exercise of the Special Warrants or Debentures. As at January 31, 2018, the Company had estimated total available funds of $3,764,612 based on the sum of its working capital of $3,615,787 as of December 31, 2017, plus the net proceeds from the second tranche closings of the Private Placement in the amount of $148,825.

Use of Available Funds

The Company expects to use the funds available to it upon completion of the Listing, as follows:

Item	Amount
To fund the recommended Tuscarora Exploration Program(1)	$1,262,000
To make cash payments due under the Option Agreement for the Tuscarora Project(2)	$250,000
To fund estimate general and administrative expenses for 12 months	$682,000
To pay for estimated costs incurred in connection with the Prospectus, including securities regulator fees, CSE fees, legal costs and audit costs	$140,000
To complete a geochemistry program on the South Lida Property	$20,000
Unallocated General Working Capital	$1,410,412
Total:	**$3,764,412**

Notes:

(1) See "*Exploration, Development, and Production*" for a detailed breakdown of the costs associated with the Tuscarora Exploration Program.

(2) Pursuant to the Option Agreement, the Company is required to make cash payments in the amount of C$125,000 on the Listing Date and on the first anniversary of the first payment. The third installment of the cash payment is due on the second anniversary of the first payment.

The Company anticipates that it will have sufficient cash available to execute its business plan and to pay its general and administrative costs for at least twelve months following completion of the Listing.

General & Administrative Expenses

	Monthly	Annual
Audit, Accounting	$ 9,167	$ 110,000
Legal	$ 3,000	$ 36,000
Management Fees	$ 29,167	$ 350,000
Rent	$ 1,000	$ 12,000
Office Expenses	$ 500	$ 6,000
Shareholder Communications	$ 7,500	$ 90,000
Telecommunications / Internet	$ 500	$ 6,000
Transfer Agent / Filing Fees	$ 1,000	$ 12,000
Travel and Accommodation	$ 5,000	$ 60,000
TOTAL	$ 56,833	$ 682,000

Unallocated funds will be deposited in the Company's bank account and added to the working capital of the Company. The Chief Financial Officer of the Company is responsible for the supervision of all financial assets of the Company. Based on the Company's cash flow requirements, management will determine the appropriate level of liquidity required for operations and will draw down such funds as necessary.

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

Business Objectives and Milestones

The Company's intended business objective and milestone following the Private Placement is to complete the Tuscarora Exploration Program on the Tuscarora Property as described in this Prospectus. Based upon the recommendation of the Author in the Technical Report, the Company intends to carry out the Tuscarora Exploration Program with respect to the Tuscarora Property as set out in Table 6.

The Company intends to spend a significant portion of the funds available to it for the Tuscarora Property as stated in this Prospectus. There may be circumstances however, where, for sound business reasons, a reallocation of funds may be necessary. The Company intends to complete the Tuscarora Exploration Program over the next twelve months.

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized capital of the Company consists of an unlimited number of Common Shares without par value and preferred shares without par value, issuable in series. As of the date hereof, there are 10,730,001 Common Shares issued and outstanding.

Common Shares

The holders of Common Shares are entitled to dividends, if, as and when declared by the Board, to one vote per Common Share at the meetings of the shareholders of the Company and, upon liquidation, to share equally in such assets of the Company as are distributable to the holders of Common Shares. See "*Consolidated Capitalization – Fully Diluted Share Capital*."

Warrants

As at the date of this Prospectus, the Company does not have any Warrants outstanding. The Company expects to issue approximately 5,682,500 Warrants upon deemed exercise of the Special Warrants on the Special Warrants Exercise Date. The Warrants will be represented by Warrant Certificates to be issued by the Company. The following summary of certain provisions of the Warrants does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Certificates.

Each Warrant will be exercisable by the holder to acquire one common share (the "**Warrant Shares**") at a price of $0.35 per Warrant Share for a period equal to the shorter of (a) one year after the Listing Date, and (b) five years after the issue date of the Special Warrants, subject to abridgement on an occurrence of the Trigger Event (defined below). At any time after the Listing Date, the Company may abridge the exercise period of the Warrants if the ten-day volume-weighted average trading price of the Common Shares is greater than $0.50 (the "**Trigger Event**") provided that (a) the Company gives notice of the Trigger Event by way of a news release, and (b) the earlier expiry date is a date which is not less than 30 calendar days after the date of such press release.

The number of Warrant Shares issuable upon exercise of the Warrants will be subject to standard anti-dilution provisions, including an adjustment in certain events including, without limitation, the subdivision or consolidation of the outstanding Common Shares, the issue of Common Shares or securities convertible into Common Shares by way of stock dividend or distribution, a dividend or distribution paid to all or substantially all of the holders of Common Shares, the issue of rights, options or warrants to all or substantially all of the holders of Common Shares in certain circumstances, and the distribution to all or substantially all of the holders of Common Shares of any other class of shares, rights, options or warrants, evidences of indebtedness or assets. The number of Warrant Shares issuable upon exercise of Warrants will also be subject to standard anti-dilution adjustments upon share consolidations, share splits, spin-off events, rights issues and reorganizations.

PLAN OF DISTRIBUTION

This prospectus qualifies the distribution of the Qualified Securities, consisting of the Common Shares, and Warrants issuable upon the deemed exercise of the previously issued Special Warrants, and the Common Shares issuable upon the deemed exercise of the previously issued Debentures. The Special Warrants were sold to subscribers at a price of $0.25 per Special Warrant for aggregate proceeds of $2,841,250. The Debentures were sold to subscribers in the principal amount of $969,000.

The Company has applied to list its Common Shares on the CSE. Listing will be subject to the Company fulfilling all the listing requirements of the CSE.

The Debentures, Special Warrants and the underlying Common Shares, Warrants and Warrant Shares have not been and will not be registered under the U.S. Securities Act or under any state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities qualified for distribution hereunder within the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act).

Certain of the Debentures and Special Warrants were offered and sold in the United States to a limited number of "accredited investors," as defined in Rule 501(a) of Regulation D under the U.S. Securities Act, pursuant to Rule 506 of Regulation D, and were issued as "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act. Any Common Shares issued on deemed exercise of the Debentures, and any Common Shares and Warrants issued on deemed exercise of the Special Warrants, and the Warrant Shares issued on exercise of the Warrants will also be "restricted securities," and the certificates representing such Common Shares, Warrants, and Warrant Shares will contain legends to the effect that the Common Shares, Warrants, and Warrant Shares have not been registered under the U.S. Securities Act and may only be offered for sale pursuant to certain exemptions from the registration requirements of the U.S. Securities Act.

The Special Warrants were issued pursuant to the terms of the Special Warrant Certificates representing the Special Warrants. The Special Warrant Certificates provide, among other things, that Special Warrantholders are entitled to receive in respect of each Special Warrant held, without additional consideration and without any further action on the part of the holder thereof, one Common Share and one-half of one Warrant. The Special Warrants will be deemed exercised for Common Shares and Warrants on the Special Warrant Exercise Date. In addition, the resale of 90% of the Shares acquired on conversion of the Special Warrants shall be subject to a hold period (the "**SW Hold Restrictions**") that will expire four months after the Listing Date. A legend representing the SW Hold Restrictions will be endorsed on the share certificates representing the Common Shares to be issued upon deemed exercise of the Special Warrants.

The Warrants will be represented by Warrant Certificates to be issued by the Company. See "*Description of the Securities Distributed – Warrants*".

The Debentures were issued pursuant to the terms of the Debenture Certificates representing the Debentures. The Debentures will mature three years following the issue date of the Debentures (the "**Maturity Date**"), and the principal amount of the Debentures will bear no interest whether after the date of the Debenture or after the Maturity Date.

The Debenture Certificates provide, among other things, that the entire amount of the principal of the Debentures are deemed exercised into Common Shares at $0.10 per Common Share on the earlier of the following event:

(a) at any time at the discretion of the holder of the Debenture;

(b) at the discretion of the Company on or after the date the Company becomes a "reporting issuer" under the securities laws of a province of Canada or a "reporting company" under the securities laws of the United States, which conversion the Company shall effect on the third business day after the Prospectus Receipt Date; and

(c) automatically upon the Listing Date, with effect immediately prior to the Listing Date

(the "**Debenture Exercise Date**").

In addition, the resale of 90% of the Common Shares to be issued upon exercise of the Debentures will be subject to hold period restrictions as follows:

(a) 30% of the Common Shares acquired thereunder will be non-transferable until the third month anniversary of the Listing Date;

(b) a further 30% of the Common Shares acquired thereunder will be non-transferable until the sixth month anniversary of the Listing Date;

(c) a further 30% of the Common Shares acquired thereunder will be non-transferable until the ninth month anniversary of the Listing Date

(the "**Debenture Hold Restrictions**").

A legend representing the Debenture Hold Restrictions will be endorsed on the share certificates representing the Common Shares to be issued upon deemed exercise of the Debentures.

The Debentures, Special Warrants, Common Shares Warrants, and Warrant Shares have not been and will not be registered under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), or "blue sky" laws of any of the states of the United States. Accordingly, the Debentures, Special Warrants, Common Shares, Warrants, and Warrant Shares may not be offered or sold within the United States except in accordance with an exemption from the registration requirements of the U.S. Securities Act, as amended, applicable state securities laws and the terms of the Special Warrant Certificate and Debenture Certificate.

Certificates representing the Common Shares and Warrants to be issued upon deemed exercise of the Special Warrants will be available for delivery upon the deemed exercise of the Special Warrants. Certificates representing the Common Shares to be issued upon deemed exercise of the Debentures will be available for delivery upon the deemed exercise of the Debentures.

The Company is not currently a reporting issuer in any province or territory of Canada.

CONSOLIDATED CAPITALIZATION

The Company

Consolidated Capitalization

The following table sets forth the share and loan capital of the Company before and after giving effect to the deemed exercise of the Special Warrants, the deemed exercise of the Debentures and related transactions. The table should be read in conjunction with the financial statements and the accompanying notes thereto included in this Prospectus.

	Amount Authorized or to be Authorized	**Outstanding as at December 31, 2017**	**Outstanding After Giving Effect to the Deemed Exercise of the Debentures and Special Warrants(1)**
Common Shares	Unlimited	10,730,001	31,785,001(3)
Warrants	5,682,500	Nil	5,682,500
Debentures (principal amount)	$867,500	$867,500(1)	Nil
Special Warrants	10,655,000	10,655,000(2)	Nil
Finder's Warrants	338,800(4)	324,100	338,800

Notes:

(1) Additional Debentures in the principal amount of $101,500 were issued on January 5, 2018 under the Private Placement.

(2) Additional 710,000 Special Warrants were issued on January 5, 2018 under the Private Placement.

(3) Does not include the first instalment of Common Shares in the amount of 266,666 Common Shares to be issued to Novo on the Listing Date and the 500,000 Common Shares to be issued to the Vendors on the Listing Date.

(4) 324,100 Finder's Warrants were issued to eligible finders under the first tranche of the Private Placement, and 14,700 Finder's Warrants were issued to a finder under the second tranche of the Private Placement.

Fully Diluted Share Capital

The following table sets forth the anticipated fully diluted share capital of the Company after giving effect to the deemed exercise of the Special Warrants, the deemed exercise of the Debentures and related transactions.

	Number of Common Shares Issued or Reserved for Issuance on the Listing Date	Percentage of Issued and Outstanding and Reserved for Issuance Common Shares on the Listing Date (fully-diluted)
Common Shares outstanding at the date of this prospectus	10,730,001(1)	27.82%
Common Shares to be issued upon deemed exercise of the Debentures	9,690,000(2)	25.12%
Common Shares to be issued upon deemed exercise of Special Warrants	11,365,000(2)	29.46%
Warrant Shares issuable upon exercise of Warrants to be issued upon deemed exercise of Special Warrants	5,682,500(3)	14.73%
Finder's Shares issuable upon exercise of the Finder's Warrants	338,800(4)	0.88%
Common Shares issuable pursuant to South Lida Agreement on the Listing Date	500,000(5)	1.30%
Common Shares issuable pursuant to the Tuscarora Agreement on the Listing Date	266,666(6)	0.69%
Total:	**38,572,967**	**100%**

Notes:

(1) Consists of the 500,000 Common Shares issued to the Vendors pursuant to the South Lida Agreement on July 1, 2017, and 10,230,000 Seed Shares issued pursuant to the Seed Placement.

(2) 90% of the Common Shares issued upon the deemed exercise of the Debentures will be subject to the Debenture Hold Restrictions. 90% of the Common Shares issued upon the deemed exercise of the Special Warrants will be subject to the SW Hold Restrictions.

(3) The Warrants are exercisable into Common Shares at a price of $0.35 per Common Share for a period equal to the shorter of (a) one year after the Listing Date, and (b) five years after the issue date of the Special Warrants, subject to abridgement on an occurrence of the Trigger Event.

(4) 324,100 Finder's Warrants were issued to eligible finders under the first tranche of the Private Placement, and 14,700 Finder's Warrants were issued to a finder under the second tranche of the Private Placement.

(5) Pursuant to the South Lida Agreement, an aggregate of 3,000,000 Common Shares are to be issued to the Vendors, of which 500,000 Common Shares were issued on July 1, 2017, and 500,000 Common Shares will be issued on the Listing Date. See "*History*".

(6) Pursuant to the Option Agreement, a total of 800,000 Common Shares at a deemed price of $0.25 for a value of C$200,000 will be issued to Novo in three equal installments, with one-third issued on each of the Listing Date, and the first and second anniversaries of the Listing Date.

OPTIONS TO PURCHASE SECURITIES

The Company

A 10% rolling stock option plan will be approved by the Company's Board of Directors (the "**Stock Option Plan**") on or before the Final Receipt Date. The purpose of the Stock Option Plan is to assist the Company in attracting, retaining and motivating directors, officer, employees, consultants and contractors of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its shareholders.

The Stock Option Plan will provide that the aggregate number of securities reserved for issuance will be 10% of the number of common shares of the Company issued and outstanding from time to time.

The Stock Option Plan is to be administered by the Board , which has 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 Company and its affiliates, if any, as the Board may from time to time designate. The exercise prices will be determined by the Board, but will, in no event, be less than the closing market price of Common Shares on (a) the trading say prior to the date of grant of the stock options; and (b) the date of grant of the stock options. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

As of the date of this Prospectus, the Company does not have any stock options issued and outstanding.

It is expected that the Company will issue 2,200,000 stock options to purchase Common Shares to certain directors, officers, consultants and employees under the Stock Option Plan, effective on the Listing Date. The stock options will be exercisable into Common Shares at a price of $0.25 per Common Share for a period of five years. See "*Executive Compensation*".

DIVIDENDS OR DISTRIBUTIONS

The Company has not declared or paid any dividends on its shares.

PRIOR SALES

The Company

Common Shares

Since the date of incorporation of the Company, 10,630,001 Common Shares have been issued by the Company, as set forth below.

Date	Number of Securities	Issue Price Per Security	Aggregate Issue Price
July 1, 2017	1	$1	$1
July 1, 2017	500,000	$0.05	$25,000
October 25, 2017	10,230,000	$0.05	$511,500
Total:	**10,730,001**		**$536,501.00**

Notes:

(1) 500,000 Common Shares were issued to the Vendor pursuant to the South Lida Agreement on July 1, 2017, at a deemed price of $0.05 per share.

(2) 10,230,000 Seed Shares were issued pursuant to the Seed Placement.

Debentures

Since the date of incorporation of the Company, $969,000 aggregate principal amount of Debentures have been issued by the Company, as set forth below. All outstanding Debentures will automatically be deemed exercised into Common Shares on Debenture Exercise Date. As of the date of this prospectus, 9,690,000 Common Shares have been reserved for issuance upon the deemed exercise of the Debentures. See "*Plan of Distribution*" for a description of the terms of the Debentures.

Date	Amount of Convertible Debentures	Maturity Date	Interest Rate	Common Share Exercise Price
December 22, 2017	$867,500	December 22, 2020	Nil	$0.10
January 5, 2018	$101,500	January 5, 2021	Nil	$0.10
Total:	**$969,000.00**			

Special Warrants

Since the date of incorporation, the Company has issued 11,365,000 Special Warrants, as set forth below. Each Special Warrant will be deemed exercised into one Common Share and one-half of one Warrant on the Special Warrant Exercise Date. The Company expects to issue 11,365,000 Common Shares and 5,682,500 Warrants to Special Warrant Holders upon deemed exercise of the Special Warrants. See "*Plan of Distribution*" for a description of the terms of the Special Warrants.

Date	Number of Securities	Issue Price Per Security	Aggregate Issue Price
December 22, 2017	10,655,000	$0.25	$2,663,750
January 5, 2018	710,000	$0.25	$177,500
Total:	**11,365,000**		**$2,841,250.00**

Finder's Warrants

The following table details the Common Share purchase warrants that the Company that have been issued by the Company to finders since incorporation. In connection with the Private Placement, the Company issued an aggregate of 324,100 common share purchase warrants (the "**Finder's Warrants**") to eligible finders. Each Finder's Warrant entitles the holder to purchase one Common Share at a price of $0.35 per Common Share for a period equal to the shorter of (a) one year after the Listing Date, and (b) three years after the issue date.

Date	Number of Securities	Exercise Price	Expiry Date	Aggregate Conversion Price
December 22, 2017	324,100	$0.35	One year from Listing Date	$113,435
January 5, 2018	14,700	$0.35	One year from Listing Date	$5,145
Total:	**338,800**			**$118,580.00**

ESCROWED SECURITIES AND RESALE RESTRICTIONS

Escrowed Securities

The following Common Shares are subject to escrow as shown in the following table:

Designation of Class	Number of securities held in escrow	Percentage of class
Common Shares	1,750,001(1)(2)	5.39%(3)

Notes:

(1) 250,001 Common Shares held by Warwick Smith will be subject to escrow (which includes 125,000 Common Shares to be issued to Warwick Smith under the South Lida Agreement on the Listing Date), and 250,000 Common Shares held by Eric Saderholm will be subject to escrow (which includes 125,000 Common Shares to be issued to Eric Saderholm under the South Lida Agreement on the Listing Date), and 550,000Common Shares held by Norman Wareham (which includes 250,000 Common Shares to be issued to Norman Wareham upon deemed exercise of the Debentures), and 500,000 Common Shares held by Ken Cunningham through a family trust, and 200,000 Common Shares held by Alnesh Mohan through Quantum Advisory Partners LLP.

(2) 125,000 Common Shares held by each of Patricia Saderholm and Tarin Smith, who are considered as Principals, are exempt from escrow requirements as they carry less than 1% of the voting rights attached to the Company's outstanding securities immediately after its initial public offering.

(3) Based on 10,730,001 Common Shares issued and outstanding as at the date of this Prospectus and issuance of the 21,055,000 Common Shares upon the deemed exercise of the Special Warrants and Debentures, and issuance of 500,000 Common Shares to the Vendors under the South Lida Agreement on the Listing Date, and issuance of 266,666 Common Shares to Novo under the Option Agreement.

Escrow Agreement

NP 46-201 provides that all shares of an issuer owned or controlled by its Principals will be escrowed at the time of the issuer's initial public offering.

At the time of its initial public offering, an issuer will be classified for the purposes of escrow as either an "exempt issuer", an "established issuer" or an "emerging issuer" as those terms are defined in NP 46-201.

Uniform terms of automatic timed-release escrow apply to Principals of exchange listed issuers, differing only according to the classification of the issuer. As the Company anticipates that its Common Shares will be listed on the Exchange, it will be classified as an "emerging issuer". As such, the following automatic timed releases will apply to the securities held by its Principals:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the Listing Date	1/10 of the escrowed securities
6 months after the Listing Date	1/6 of the remaining escrowed securities
12 months after the Listing Date	1/5 of the remaining escrowed securities
18 months after the Listing Date	1/4 of the remaining escrowed securities
24 months after the Listing Date	1/3 of the remaining escrowed securities
30 months after the Listing Date	1/2 of the remaining escrowed securities
36 months after the Listing Date	The remaining escrowed securities

Assuming there are no changes to the escrowed securities initially deposited and no additional escrowed securities are deposited, automatic timed-release escrow applicable to the Company will result in a 10% release on the Listing Date, with the remaining escrowed securities being released in 15% tranches every six months thereafter.

The automatic timed-release provisions under NP 46-201 pertaining to "established issuers" provide that 25% of each Principal's and shareholder's escrowed securities are released on the Listing Date, with an additional 25% being released in equal tranches at six-month intervals over eighteen months. If, within eighteen months of the Listing Date, the Company meets the "established issuer" criteria as set out in NP 46-201, the escrowed securities will be eligible for accelerated release available for established issuers. In such a scenario, that number of escrowed securities that would have been eligible for release from escrow if the Company had been an "established issuer" on the Listing Date will be immediately released from escrow. The remaining escrowed securities would be released in accordance with the timed-release provisions for established issuers, with all escrowed securities being released eighteen months from the Listing Date.

Pursuant to the terms of the Escrow Agreement, 175,000 Common Shares will be released from escrow on the Listing Date.

Resale Restrictions

The resale of 90% of the Common Shares to be issued upon the deemed exercise of the Debentures will be subject to the Debenture Hold Restrictions as follows:

(a) 30% of the Common Shares acquired thereunder will be non-transferable until the third month anniversary of the Listing Date;

(b) a further 30% of the Common Shares acquired thereunder will be non-transferable until the sixth month anniversary of the Listing Date;

(c) a further 30% of the Common Shares acquired thereunder will be non-transferable until the ninth month anniversary of the Listing Date.

The resale of 90% of the Common Shares to be issued upon the deemed exercise of the Special Warrants will be subject to the SW Hold Restrictions.

See "*Plan of Distribution*" for a description of the terms of the Debentures and the Special Warrants.

PRINCIPAL SHAREHOLDERS

The Company

Other as set out below, to the knowledge of the directors and officers of the Company, no person beneficially owns, directly or indirectly, or exercise control or direction over, Common Shares carrying more than 10% of the voting rights attaching to all the outstanding Common Shares as at the date of this Prospectus:

Name	Number of Common Shares Owned or Controlled or Directed, Directly or Indirectly	Approximate Percentage of Total Outstanding Common Shares (1)
Davin Saderholm UT, USA	1,500,000	14.11%
Carol Quinn BC, Canada	1,600,000	15.05%

Notes:

(1) Based on the Company's issued and outstanding Common Shares as at the date of this Prospectus.

To the knowledge of the directors and officers of the Company, no person is expected to beneficially own, directly or indirectly, or exercise control or direction over, Common Shares carrying more than 10% of the voting rights attaching to all the outstanding Common Shares as at the Listing Date.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holdings

The following table sets out the name, age, city of residence, position and the number and percentage of Common Shares which will be beneficially owned or controlled by each of the current directors and officers of the Company upon Listing. The Board consists of Warwick Smith, Alnesh Mohan, Ken Cunningham, Eric Saderholm and Norman Wareham and the officers of the Company consist of Warwick Smith (CEO), Eric Saderholm (President), and Norman Wareham (CFO and Corporate Secretary).

Name, Age and City of Residence	Position	Principal Occupations Held During the Last 5 Years	Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly, upon Deemed Exercise of the Special Warrants and Debenture	
			Number	Percentage
Warwick Smith(1) (6) Age 41 Vancouver, BC	CEO and Director(1)	CEO of Harbourside Consulting Corporation since March 2005; CEO of HealthSpace Informatics Ltd. from April 2015 to October 2016; CEO of Western Pacific Resources Corp. from February 2010 to February 2014.	250,001(2)	0.77%

Name, Age and City of Residence	Position	Principal Occupations Held During the Last 5 Years	Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly, upon Deemed Exercise of the Special Warrants and Debenture	
			Number	Percentage
Eric Saderholm(1) Age: 57 Nevada, USA	President and Director	Geologist and Manager of Sirius Exploration LLC since January 2008; Vice President of Exploration of Western Pacific Resources Corp. from February 27, 2013 until July 27, 2016; President of Western Pacific Resources Corp. from September 2010 until February 27, 2013.	250,000(3)	0.77%
Norman Wareham(1) Age 64 Owen Sound, ON	CFO, Corporate Secretary and Director	Vice-President, CFO and Director for Kilannan Brewing Company Limited since January 2014; Accountant for Kilannan Brewing Company Limited from January 2011 to December 2013.	550,000(4)	1.69%
Alnesh Mohan(1)(6) Age 46 Burnaby, BC	Director	Partner at Quantum Advisory Partners LLP since September 2005.	200,000	0.62%
Ken Cunningham(1)(6) Age 68 Nevada, USA	Director	Director of Copperbank Resources Corp.; President and Chief Executive Officer and Chairman of Miranda Gold Corp.; Director of Red Eagle Mining from 2011 to 2015.	500,000	1.54%
Total:			**1,750,001**	**5.39%**

Notes:

(1) Mr. Smith was the sole NEO and director of the Company since incorporation. Mr. Saderholm and Mr. Wareham were appointed as officers and directors of the Company on January 25, 2018. Mr. Mohan and Mr. Cunningham were appointed as directors of the Company on January 25, 2018.

(2) 250,001 Common Shares are held by Warwick Smith (which includes 125,000 Common Shares issued to Mr. Smith under the South Lida Agreement on July 1, 2017, and 125,000 Common Shares to be issued to Mr. Smith under the South Lida Agreement on the Listing Date.)

(3) 250,000 Common Shares are held by Eric Saderholm (which includes 125,000 Common Shares issued to Mr. Saderholm under the South Lida Agreement on July 1, 2017, and 125,000 Common Shares to be issued to Mr. Saderholm under the South Lida Agreement on the Listing Date.)

(4) 550,000 Common Shares held by Norman Wareham (which includes 300,000 Seed Shares, and 250,000 Common Shares to be issued to Norman Wareham upon deemed exercise of the Debentures).

(5) 500,000 Common Shares are held by Ken Cunningham's family trust.

(6) Proposed member of audit committee.

As of the date of this prospectus, the directors and officers of the Company, as a group, own or control or exercise direction over 1,500,001 Common Shares, representing 13.98% of the current issued and outstanding Common Shares. Upon completion of the Listing, the proposed directors and officers of the Company, as a group, will own or control or exercise direction over 1,750,001 Common Shares, being 5.39% of the then issued Common Shares.

Directors and Officers - Biographies

The following biographies provide information in respect of the directors and officers of the Company.

Warwick Smith, CEO and Director

Mr. Smith is a venture capitalist specializing in corporate finance and development for publicly traded companies. Mr. Smith has a background in capital marketing and finance, and he formerly served as the Chief

Executive Officer of Health Space DataSystems. Previously Mr. Smith was Chief Executive Officer of Western Pacific Resources Corp. (TSXV: WRP). During his tenure Mr. Smith with Western Pacific Resources, he led the capital raising, bringing in a financial partner and management team to run Western Pacific's primary asset at the time. Previously to this, Mr. Smith provided public and investor relations services for Fortuna Silver Mines Inc. (NYSE: FSM) and he was also a founder of Riverside Resources Inc. (TSXV: RRI). Mr. Smith brings with him extensive media contacts and a strategic capital markets network that have been built over a 20-year career.

Mr. Smith is an independent contractor to the Company and will devote approximately 80% of his working time to the affairs of the Company.

Eric Saderholm, President and Director

Mr. Saderholm, formerly Newmont's Exploration Manager for the Western US, has over 27 years of experience in the minerals industry with leadership in exploration, project development, property management and mining. He has been integral to geologic teams that added over 18 million ounces of gold to reserve bases in Nevada, Washington and Peru. Mr. Saderholm was Vice President, Project Development at US Gold from August 2006 until early 2008. Prior to that position, he was at Newmont Mining Corp for 12 years where his final position was Carlin Trend Exploration Manager, Regional Geologist. At Newmont, he also held the positions of Chief Geologist at the Phoenix Mine, Lone Tree Complex and Mule Canyon Mine, all located in Nevada. Mr. Saderholm served as the President of Western Pacific Resources Corp. (TSXV: WRP) from its inception in June 2009 to July 2015.

Mr. Saderholm is an employee of American Pacific Mining (US) Inc., and will devote approximately 80% of his working time to the affairs of American Pacific Mining (US) Inc.

Norman Wareham, CFO, Corporate Secretary and Director

Mr. Wareham has over 40 years of financial, accounting and international management experience. He has provided management consulting and accounting services to public companies in Canada and the United States. He brings a success-driven and fiscally responsible approach to the public companies he has been a director/officer of. Mr. Wareham studied accounting with the Certified General Accountants Association of B.C. Mr. Wareham is currently Vice-president and CFO of a craft brewery located in Ontario, Canada and a Director of Canamara Titanium & Iron Ore Corporation in Vancouver, B.C.

Mr. Wareham is an independent contractor to the Company and will devote approximately 25% of his working time to the affairs of the Company.

Alnesh Mohan, Director

Mr. Mohan has over 20 years of accounting, auditing, and tax experience providing advisory services to a wide array of clients. He has been a partner at Quantum Advisory Partners LLP, a professional services firm focused on providing Chief Financial Officer and full-cycle accounting services to private and public companies, since 2005. Acting on behalf of several public companies, Mr. Mohan has acquired considerable experience in financial reporting, corporate governance and regulatory compliance. He is a Chartered Professional Accountant (CPA, CA) and holds a Bachelor of Business Administration from Simon Fraser University.

Ken Cunningham, Director

Mr. Cunningham brings over forty years' experience in worldwide, diversified mineral exploration and mining geology from geologist to executive management. Ken has proven skills in management and organization of exploration and mining activities backed by an advanced skillset in all aspects of managing a public company. During his career he has been involved in detailed project evaluations and pre-feasibility work and has been involved in numerous discoveries and acquisitions, including several that have gone into production.

For the last 12 years Mr. Cunningham served as the President and Chief Executive Officer of Miranda Gold Corp. During this period he was instrumental in establishing Miranda's exploration group, acquiring key projects, negotiating numerous joint ventures as well as fund raising and interacting with the financial community. He also served on Red Eagle Mining's Board of Directors from 2011 to 2015. Mr. Cunningham is currently a Director for Copperbank Resources Corp. Mr. Cunningham has a BS degree in geology from Oregon State University and a MS degree in geology from Texas Christian University. He is a licensed Professional Geologist and past president of the Geologic Society of Nevada.

Committees

The only committee of the Board of Directors of the Company will be the Audit Committee. The Audit Committee of the Company consists of Ken Cunningham, Alnesh Mohan, and Warwick Smith.

Corporate Cease Trade Orders or Bankruptcies

No director or officer of the Company is, or has been within the past ten years, a director or officer of any other issuer that, while such person was acting in that capacity, was:

(a) the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days; or

(b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties or Sanctions

No current or proposed director or officer of the Company has within the ten years before the date of this prospectus, been subject to any penalties or sanctions imposed by a court or securities regulatory authority relating to trading in securities, promotion or management of a publicly traded issuer, theft or fraud.

Individual Bankruptcies

No current or proposed director or officer of the Company is, or, within the ten years before the date of this prospectus, has been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Company also holding positions as directors or officers of other companies. Some of the individuals who will be directors and officers of the Company have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers of the Company will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies provided under British Columbia corporate law. Directors who are in a position of conflict will abstain from voting on any matters relating to the conflicting company.

EXECUTIVE COMPENSATION

The Company was not a reporting issuer at any time during the period from incorporation until December 31, 2017. The Company did not pay any compensation to Warwick Smith, the sole NEO and director from incorporation until December 31, 2017, other than consulting fees of $12,697 paid to Harbourside Consulting Ltd., a company controlled by Mr. Smith. Accordingly, and in accordance with Form 51-102F6 *Statement of Executive Compensation* ("**Form 51-102F6V**"), the following is a discussion of all significant elements of compensation to be awarded to, earned by, paid to or payable to NEOs of the Company, once the Company becomes a reporting issuer, to the extent this compensation has been determined.

In this section "Named Executive Officer" (an "**NEO**") means each individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year (a "**CEO**"), each individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year (a "**CFO**") and each of the three most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than CDN$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company, at the end of the most recently completed financial year.

Director and named executive officer compensation, excluding compensation securities

This section sets forth the proposed compensation to be paid by the Company upon completion of the Listing to Warwick Smith (CEO and director), Norman Wareham (CFO and Corporate Secretary and director) and Eric Saderholm (President and director), Alnesh Mohan (director), and Ken Cunningham (director).

The following table sets out the anticipated compensation to be paid by the Company to the NEOs and directors for the 12 months period following completion of the Listing:

Table of Compensation excluding compensation securities							
Name and Position	**Year**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total Compensation ($)**
Warwick Smith *CEO and Director*	2018	US$120,000	Nil	Nil	Nil	Nil	US$120,000
Eric Saderholm *President and Director*	2018	US$140,000	US$30,000	Nil	Nil	Nil	US$170,000
Norman Wareham, *CFO, Corporate Secretary and Director*	2018	$60,000	Nil	Nil	Nil	Nil	$60,000
Alnesh Mohan *Director*	2018	Nil	Nil	Nil	Nil	Nil	Nil
Ken Cunningham *Director*	2018	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Pursuant to a consulting agreement dated December 15, 2017 between the Company and Mr. Smith.

(2) Pursuant to an employment agreement dated January 15, 2018 between Mr. Saderholm and APM Sub.

(3) Pursuant to a consulting agreement dated January 15, 2018 between the Company and Mr. Wareham.

Stock option and other compensation securities

The Company has adopted a Stock Option Plan to assist the Company in attracting, retaining and motivating directors, officer, employees, consultants and contractors of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its shareholders.

As of the date of this prospectus, the Company has not granted any stock options. See "*Options to Purchase Securities*."

Upon completion of the Listing, the Company proposes to grant the following stock options to NEOs and directors as follows:

Compensation Securities							
Name and Position	**Type of compensation security**	**Number of compensation securities, number of underlying securities and percentage of class**	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry Date**
Warwick Smith *CEO and Director*	Stock Options	300,000	Listing Date	$0.25	$0.25	$0.25	5 Years from Date of Grant
Eric Saderholm *President and Director*	Stock Options	300,000	Listing Date	$0.25	$0.25	$0.25	5 Years from Date of Grant
Norman Wareham, *CFO, Corporate Secretary and Director*	Stock Options	200,000	Listing Date	$0.25	$0.25	$0.25	5 Years from Date of Grant
Alnesh Mohan *Director*	Stock Options	200,000	Listing Date	$0.25	$0.25	$0.25	5 Years from Date of Grant
Ken Cunningham *Director*	Stock Options	200,000	Listing Date	$0.25	$0.25	$0.25	5 Years from Date of Grant

Stock option plans and other incentive plans

The Stock Option Plan will be approved by the Board effective on or before the Prospectus Receipt Date. The purpose of the Stock Option Plan is to assist the Company in attracting, retaining and motivating directors, officer, employees, consultants and contractors of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its shareholders.

The Stock Option Plan provides that the aggregate number of securities reserved for issuance will be 10% of the number of common shares of the Company issued and outstanding from time to time.

The Stock Option Plan is administered by the Board, which has full and final authority with respect to the granting of all options thereunder. See "*Options to Purchase Securities*".

Employment, consulting and management agreements

Except as disclosed herein, the Company does not have any contracts, agreements, plans or arrangements in place with any NEOs that provides for payment following or in connection with any termination (whether voluntary, involuntary or constructive) resignation, retirement, a change of control of the Company or a change in a NEO's responsibilities.

On December 15, 2017, Warwick Smith entered into a consulting agreement which provides that he is entitled to receive US$120,000 per annum. The consulting agreement provides that he is entitled to receive six months of the consulting fee in the event of any termination of the consulting agreement without cause by the Company, or a payment of twelve months of the consulting fee in the event of any termination of the consulting agreement by Mr. Smith or the Company occurring within six months of a change of control.

On January 15, 2018, Norman Wareham entered into a consulting agreement which provides that he is entitled to receive $60,000 per annum. The consulting agreement provides that he is entitled to receive a minimum of six months of the consulting fee in the event of any termination of the consulting agreement without cause by the Company, or a payment of twelve months the consulting fee in the event of any termination of the consulting agreement by Mr. Wareham or the Company occurring within six months of a change of control.

On January 15, 2018, Eric Saderholm entered into an employment agreement with APM Sub pursuant to which he will act as President of APM Sub. Under the employment agreement, Mr. Saderholm is entitled to receive US$140,000 per annum plus bonuses, including a US$30,000 bonus payable in 2018 on or before the Listing Date. The employment agreement provides that he is entitled to receive a minimum of six months' base salary in the event of any termination of employment without cause by the Company, or a payment of twelve months base salary in the event of any termination of employment by Mr. Saderholm or the Company occurring within six months of a change of control.

Oversight and description of director and named executive officer compensation

At its present stage of development, the Company does not have any formal objectives, criteria and analysis for determining the compensation of its NEOs and primarily relies on the discussions and determinations of the Board. When determining individual compensation levels for the Company's NEOs, a variety of factors will be considered including: the overall financial and operating performance of the Company, each NEO's individual performance and contribution towards meeting corporate objectives and each NEO's level of responsibility and length of service.

The Company's executive compensation is intended to be consistent with the Company's business plans, strategies and goals, including the preservation of working capital as the Company seeks to complete the Listing. The Company's executive compensation program is intended to provide appropriate compensation that permits the Company to attract and retain highly qualified and experienced senior executives and to encourage superior performance by the Company. The Company's compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results.

The Company does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. As with the NEOs, the Board intends to compensate directors primarily through the grant of stock options and reimbursement of expenses incurred by such persons acting as directors of the Company.

During the period from incorporation to December 31, 2017, the Company did not grant any stock options to directors or NEOs.

Pension disclosure

The Company does not anticipate that it will have a pension, retirement or similar plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

The Company

As of the date of this prospectus, no director or executive officer, and no proposed director of the Company or any associate thereof, is indebted to the Company or any of its subsidiaries, or has been at any time during the preceding financial year.

AUDIT COMMITTEE

The Audit Committee's Mandate

The mandate of the Audit Committee is to ensure the Company effectively maintains the necessary management systems and controls to allow for timely and accurate reporting of financial information to safeguard shareholder value, to meet all relevant regulatory requirements and to provide recommendations to the Board of Directors in the areas of management systems and controls. The charter of the Audit Committee is attached to this Prospectus as Exhibit "B".

Composition of the Audit Committee

The Audit Committee of the Company consists of Warwick Smith, Alnesh Mohan and Ken Cunningham. Alnesh Mohan and Ken Cunningham are non-management directors.

All the proposed members of the Audit Committee are considered to be financially literate as required by section 1.6 of NI 52-110. For a summary of the experience and education of the Audit Committee members see "*Directors and Officers – Biographies*".

Reliance on Certain Exemptions

The Company will rely on the exemptions provided for "venture issuers" in section 6.1 of NI 52-110 with respect to Part 3 – *Composition of the Audit Committee* and Part 5 – *Reporting Obligations*.

External Auditor Service Fees

The following table discloses the fees billed to the Company by its external auditor for the period from incorporation to December 31, 2017:

Financial Year Ended	Audit Fees	Audited-Related Fees(1)	Tax Fees(2)	All Other Fees(3)
December 31, 2017	$30,000	-	-	-

Notes:

(1) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit Fees" column.

(2) The aggregate fees billed for tax compliance, tax advice and tax planning services.

(3) The aggregate fees billed for professional services other than those listed in the other three columns.

CORPORATE GOVERNANCE

Corporate governance refers to the policies and structure of the board of directors of a corporation, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The board of directors is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the opinion of the board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

The board of directors facilitates its exercise of independent judgement in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board requires management to provide complete and accurate information with respect to the Company's activities and to provide relevant information concerning the industry in which the Company operates in order to identify and manage risks. The Board is responsible for monitoring the Company's senior officers, who in turn are responsible for the maintenance of internal controls and management information systems.

The current Board consists of Warwick Smith, Eric Saderholm, Norman Wareham, Alnesh Mohan, and Ken Cunningham. Ken Cunningham is an independent director of the Company and Alnesh Mohan is a non-management director but is not considered independent. The non-independent management directors are Warwick Smith, the Chief Executive Officer, Eric Saderholm, the President and Norman Wareham, the Chief Financial Officer and Corporate Secretary.

Directorships

The following directors or proposed directors of the Company are currently directors of other reporting issuers (or equivalent in a foreign jurisdiction):

Name	Name of Reporting Issuer	Exchange
Norman Wareham	LottoGopher Holdings Inc.	CSE
Alnesh Mohan	Premier Diversified Holdings Inc.	CSE
	Russell Breweries Inc.	NEX
	HealthSpace Data Systems Inc.	CSE
	LottoGopher Holdings Inc.	CSE
Ken Cunningham	Copperbank Resources Corp.	CSE
	Teras Resources Inc.	TSX-V

Orientation and Continuing Education

When new directors are appointed to the Board, they receive an orientation, commensurate with their previous experience on the Company's business and on the responsibilities of directors.

Meetings of the Board may also include presentations by the Company's management to give the directors additional insight into the Company's business.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Further, the Company's auditor has full and unrestricted access to the Audit Committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

Nomination of Directors

The Board will consider 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 of Directors' duties effectively and to maintain a diversity of views and experience.

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

Compensation

The Board is responsible for determining compensation for the officers, employees and non-executive directors of the Company. The Board annually reviews all forms of compensation paid to officers, employees and non-executive directors, both with regards to the expertise and experience of each individual and in relation to industry peers. See "*Executive Compensation*".

Other Committees of the Board of Directors

The Board has no committees other than the Audit Committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board of Directors and management, and the strategic direction and processes of the Board of Directors and Audit Committee

RISK FACTORS

General

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

Limited Operating History

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties optioned by the Company. The purpose of the Private Placement was to raise funds to carry out exploration and, if thought appropriate, development with the objective of establishing economic quantities of mineral reserves. There is no guarantee that economic quantities of mineral reserves will be discovered on any properties optioned by the Company in the near future or at all. If the Company does not generate revenue, it may be unable to sustain its operations in which case it may become insolvent and you may lose your investment.

Speculative Nature of Mineral Exploration

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Acquisition of Additional Mineral Properties

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

Gold Deposits

The Tuscarora Property is in the exploration stage only and is without a known body of gold deposits. Development of this property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

Uninsurable Risks

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

Permits and Government Regulations

The future operations of the Company may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Tuscarora Property.

Environmental and Safety Regulations and Risks

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

Key Person Insurance

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

Mineral Titles

The Company is satisfied that evidence of title to the Tuscarora Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Tuscarora Property. The Company may face challenges to the title of the Tuscarora Property, the South Lida Property or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Company's business plan.

Loss of Interest in Properties

The Company's ability to maintain an interest in the properties optioned or owned by the Company will be dependent on its ability to raise additional funds by equity financing.

Failure to obtain additional financing may result in the Company being unable to complete the required work required to keep the property interests in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the Tuscarora Property.

Fluctuating Mineral Prices

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

Competition

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

Management

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

Financing Risks

The Company has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the property owned by the Company, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Negative Cash Flows from Operations

The Company had negative operating cash flow for the period since incorporation and expects to have negative cash flow in future periods. The Company expects that it will be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Company.

Resale of Common Shares

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

Conflicts of Interest

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

No commissions or other extraordinary consideration will be paid to such directors and officers; and business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

Tax Issues

Income tax consequences in relation to the Common Shares will vary according to circumstances of each investor. Investors should seek independent advice from their own tax and legal advisers prior to investing in Common Shares of the Company.

Dividends

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

PROMOTERS

Warwick Smith, the CEO and a director of the Company and Eric Saderholm, President and director of the Company may be considered a "promoter" of the Company as such term is defined in the *Securities Act* (British Columbia) in connection with their respective roles in facilitating the Company's acquisition of the South Lida Property and optioning of the Tuscarora Property and organizing the Company's business. For a description of the voting and equity securities of the Company held by the promoters see "*Directors and Executive Officers*" and for a description of all compensation received and to be received by the promoters see "*Executive* Compensation". As at the date of this Prospectus, none of the promoters was subject to any settlement proceeding or order (a cease trade order or an order similar to a cease trade order) or bankruptcy proceedings in the past ten years. See "*Directors and Executive Officers*" for a full description.

CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

The Company encourages each security holder to consult with its own tax or professional advisor to understand the tax considerations generally applicable with purchasing or owning the Qualified Securities.

LEGAL PROCEEDINGS

The Company is not currently a party to any legal proceedings, nor is the Company currently contemplating any legal proceedings, which are material to its business. Management of the Company is not currently aware of any legal proceedings contemplated against the Company.

REGULATORY ACTIONS

From incorporation to the date of this Prospectus, management knows of no:

(a) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years preceding the date of this prospectus;

(b) any other penalties or sanctions imposed by a court or regulatory body against the Company necessary for the prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and

(c) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years preceding the date of this prospectus.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as noted in this Prospectus, from incorporation on July 1, 2017 to the date of this Prospectus, none of the following persons or companies has had any material interest, direct or indirect, in any transaction which has materially affected or is reasonably expected to materially affect the Company:

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

(b) any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% of any class or series of the Company's outstanding voting securities; and

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

On July 1, 2017, the Company entered into the South Lida Agreement with Vendors of the South Lida Property. Pursuant to the South Lida Agreement, Eric Saderholm and Warwick Smith each received 125,000 Common Shares on July 1, 2017, and each will receive an additional 125,000 Common Shares on the Listing Date. An additional 250,000 Common Shares are require to be issued, subject to certain exceptions, to each of Eric Saderholm and Warwick Smith on the earlier of six months after the Listing Date and (ii) the date the South Lida Property is sold or otherwise transferred as part of a transaction for value approved by the Board; and an additional 250,000 Common Shares will be issued to each of Eric Saderholm and Warwick Smith on the earlier of (i) the one year anniversary after the Listing Date and (ii) the date the South Lida Property is sold or otherwise transferred as part of a transaction for value approved by the Board. See "*History*".

The Vendors incurred $9,065 in out-of-pocket expenses to stake and record the claims making up the South Lida Property and to satisfy the initial assessment fees.

AUDITORS

The auditor of the Company is Davidson & Company LLP, with offices at 1200 – 609 Granville Street, Vancouver, British Columbia.

REGISTRAR AND TRANSFER AGENT

Prior to filing the final prospectus, the Company intends to appoint TMX Trust Company as the transfer agent and registrar for the Company's common shares at its Vancouver office located at Suite 2700, 650 West Georgia Street, Vancouver, BC V6B 4N9.

MATERIAL CONTRACTS

There are no contracts of the Company, other than contracts entered into in the ordinary course of business, that are material to the Company, other than as set forth below:

(a) Option Agreement;

(b) South Lida Agreement; and

(c) the Escrow Agreements between the Company, the Escrow Agent, and certain shareholders of the Company as described under "*Plan of Distribution*".

EXPERTS AND INTERESTS OF EXPERTS

Davidson & Company LLP, Chartered Accountants, prepared an auditors' report on the financial statements of the Company as at December 31, 2017. As of the date of this prospectus, Davidson & Company LLP, Chartered Accountants have reported that they are independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

EXPERTS

Names of Experts

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

The Technical Report on the Tuscarora Property was prepared by Ernest L. "Buster" Hunsaker III, CPG 8137 of Hunsaker Inc. Mr. Hunsaker has no interest in the Company, the Company's securities or the Tuscarora Property.

Davidson & Company LLP, Chartered Accountants, auditor of the Company, who prepared the independent auditor's report on the Company's audited financial statements included in and forming part of this Prospectus, and have informed the Company that it is independent of the Company within the meaning of the rules of professional conduct of the Chartered Professional Accountants of British Columbia (CPABC).

Interests of Experts

Other than as disclosed herein, none of the persons set out under the heading "Experts – Names of Experts" have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person prepared the report, valuation, statement or opinion aforementioned or thereafter.

OTHER MATERIAL FACTS

There are no material facts about the Company which are not otherwise disclosed in this prospectus.

PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

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

However, in light of the fact that this prospectus is being filed to allow the Company to qualify securities on exercise of Special Warrants and Debentures, the Company believes that the remedies described in the foregoing paragraph are not applicable to the transactions described in this Prospectus.

CONTRACTUAL RIGHT OF ACTION FOR RESCISSION

The Company has granted to each holder of Special Warrants and Debentures a contractual right of recession of the prospectus-exempt transaction under which the Special Warrants and Debentures were initially acquired. The contractual right of rescission provides that if a holder of Special Warrants who acquires Common Shares and Warrants on exercise of the Special Warrants or a holder of Debentures who acquires Common Shares on exercise of the Debentures as provided for in this Prospectus is, or becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission by reason of a misrepresentation in the Prospectus filed by the Company qualifying the distribution of the Common Shares and Warrants to be issued on the deemed conversion of the Special Warrants or Debentures, as the case may be, such holder shall be entitled, subject to available defences and any limitation period under applicable securities laws, to rescission not only of the holder's deemed conversion of its Special Warrants or Debentures, as the case may be, but also of the private placement transaction pursuant to which the Special Warrants or the Debentures, as the case may be, were acquired, and shall be entitled in connection with such rescission to a full refund of all consideration paid to the Company on the acquisition of the Special Warrants or the Debentures, as the case may be. In the event that such holder is a permitted assignee of the interest of the original purchaser of the Special Warrants or Debentures, such permitted assignee shall be permitted to exercise the rights of rescission and refund granted hereunder as if such permitted assignee was such original purchaser. The foregoing right, which is extended by the Company in respect of the Special Warrants and Debentures issued by the Company pursuant to accepted subscriptions at the closing, is in addition to any other right or remedy available to a holder of Special Warrants or Debentures under applicable securities laws, or otherwise at law, and is subject to the defences and limitations described under such securities laws.

AGENT FOR SERVICE OF PROCESS

Two of the directors of the Company, Eric Saderholm and Ken Cunningham reside outside of Canada. Both directors have appointed the following agent for service of process: American Pacific Mining Corp., Suite 910 – 510 Burrard Street, Vancouver, British Columbia V6C 3A8.

Ernest L. "Buster" Hunsaker III, CPG 8137 of Hunsaker Inc., the author of the Technical Report resides outside of Canada, and has appointed the following agent for service of process: American Pacific Mining Corp., Suite 910 – 510 Burrard Street, Vancouver, British Columbia V6C 3A8

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the fiscal period ended December 31, 2017, are included in this Prospectus.

EXHIBIT A

FINANCIAL STATEMENTS OF THE COMPANY

American Pacific Mining Corp.

FINANCIAL STATEMENTS

December 31, 2017

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
American Pacific Mining Corp.

We have audited the accompanying financial statements of American Pacific Mining Corp., which comprise the statement of financial position as at December 31, 2017, and the statements of loss and comprehensive loss, changes in equity and cash flows for the period from incorporation on July 1, 2017 to December 31, 2017, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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, these financial statements present fairly, in all material respects, the financial position of American Pacific Mining Corp. as at December 31, 2017 and its financial performance and its cash flows for the period from incorporation on July 1, 2017 to December 31, 2017 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about American Pacific Mining Corp.'s ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Professional Accountants

February 27, 2018

American Pacific Mining Corp.
Statement of Financial Position
(Expressed in Canadian Dollars)

As at		December 31, 2017
ASSETS		
Current assets		
Cash	$	3,414,736
Subscriptions receivable (note 7(b))		19,000
Prepaid expenses (notes 4 and 8)		316,633
		3,750,369
Non-current assets		
Exploration and evaluation assets (note 5)		25,000
		25,000
TOTAL ASSETS	$	3,775,369
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 8)	$	134,582
Non-current liabilities		
Convertible notes (note 6)		500,023
TOTAL LIABILITIES		634,605
EQUITY		
Equity portion of convertible notes (note 6)		362,381
Subscriptions received in advance (note 13)		126,500
Share capital (note 7(b))		532,332
Warrants reserve (note 7(c))		2,560,178
Accumulated deficit		(440,627)
TOTAL EQUITY		3,140,764
TOTAL EQUITY AND LIABILITIES	$	3,775,369

Corporate information and continuance of operations (note 1)
Commitments (note 5)
Segmented information (note 9)
Subsequent events (notes 5, 7(b) and 13)

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

These financial statements were approved for issue by the Board of Directors and signed on its behalf by:

/s/ Warwick Smith Director

American Pacific Mining Corp.
Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

		From the date of incorporation on July 1, 2017 to December 31, 2017
EXPENSES		
Accretion of interest (note 6)	$	**2,247**
Bank charges		**1,406**
Consulting fees (note 8)		**78,553**
Foreign exchange loss		**2,250**
General and administrative costs		**879**
Professional fees		**109,565**
Project evaluation costs		**161,835**
Shareholder information and investor relations (note 8)		**76,822**
Travel		**7,070**
TOTAL LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	$	**440,627**
Basic and diluted loss per share for the period attributable to common shareholders (warrants and options not included as the impact would be anti-dilutive)	$	**0.10**
Weighted average number of common shares outstanding (basic and diluted)		**4,280,653**

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

American Pacific Mining Corp.
Statement of Changes in Equity
(Expressed in Canadian Dollars)

		Share capital				Reserves		
	Note	Number of shares	Amount	Equity portion of convertible debentures	Subscriptions received in advance	Warrants	Accumulated deficit	Total
Incorporator share, July 1, 2017		1	$ 1	$ -	-	$ -	$ -	**$ 1**
Shares issued for cash	7(b)	10,230,000	511,500	-	-	-	-	**511,500**
Share issue costs	7(b)	-	(4,169)	-	-	-	-	**(4,169)**
Shares issued for exploration and evaluation assets	5	500,000	25,000	-	-	-	-	**25,000**
Warrants issued for cash	7(c)	-	-	-	-	2,663,750	-	**2,663,750**
Warrant issue costs	7(c)	-	-	-	-	(103,572)	-	**(103,572)**
Equity portion of convertible debentures	6	-	-	362,381	-	-	-	**362,381**
Subscriptions received in advance	13	-	-	-	126,500			**126,500**
Net loss for the period		-	-	-	-	-	(440,627)	**(440,627)**
Balance at December 31, 2017		**10,730,001**	**$ 532,332**	**$ 362,381**	**$ 126,500**	**$ 2,560,178**	**$ (440,627)**	**$ 3,140,764**

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

American Pacific Mining Corp.
Statement of Cash Flows
(Expressed in Canadian Dollars)

		From the date of incorporation on July 1, 2017 to December 31, 2017
Cash flows provided from (used by):		
OPERATING ACTIVITIES		
Net loss for the period	$	(440,627)
Adjustments for items not affecting cash:		
Accretion of interest		2,247
Net changes in non-cash working capital items:		
Prepaid expenses		(316,633)
Accounts payable and accrued liabilities		107,052
Net cash flows used in operating activities		(647,961)
FINANCING ACTIVITIES		
Proceeds on issuance of common shares, net of cash share issue costs (note 7(b))		491,702
Proceeds on issuance of convertible notes, net of cash issuance costs (note 6)		866,092
Proceeds on issuance of warrants, net of cash issuance costs (note 7(c))		2,578,403
Subscriptions received in advance		126,500
Net cash flows from financing activities		4,062,697
Net decrease in cash		3,414,736
Cash, beginning of period		-
Cash, end of period	$	3,414,736
Cash paid during the period for interest	$	-
Cash paid during the period for income taxes	$	-
Supplementary cash flow information		
Shares issued for exploration and evaluation assets	$	25,000
Share issue costs included in accounts payable and accrued liabilities	$	3,370
Warrant issue costs included in accounts payable and accrued liabilities	$	18,225
Convertible note issue costs included in accounts payable and accrued liabilities	$	5,935

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

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

American Pacific Mining Corp. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on July 1, 2017, and is in the business of mineral exploration and development.

The Company's head office, principal address, registered address and records office is Suite 910 - 510 Burrard Street, Vancouver, B.C., V6C 3A8, Canada.

At the date of the financial statements, the Company has not identified a known body of commercial grade mineral on any of its properties. The ability of the Company to realize the costs it has incurred to date on these properties is dependent upon the Company identifying a commercial mineral body, to finance its development costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the property. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since its inception and the ability of the Company to continue as a going-concern depends upon its ability to raise adequate financing and to develop profitable operations. As at December 31, 2017, the Company had working capital of $3,615,787 and an accumulated deficit of $440,627. These items may cast a significant doubt on the Company's ability to continue as a going concern. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

The audited financial statements of the Company for the period ended December 31, 2017 were reviewed, approved and authorized by the Board of Directors on February 27, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance

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

Basis of preparation

These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Critical accounting estimates

The information about significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

Carrying value and recoverability of exploration and evaluation assets

The carrying amount of Company's exploration and evaluation assets does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to commence and complete development and upon future profitable production or proceeds from the disposition of the mineral properties themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

Income taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Critical accounting judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

In accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates", management determined that the functional currency of the Company is the Canadian dollar, as this is the currency of the primary economic environment in which the Company operates.

Future purchase consideration

In an asset acquisition, the Company determines whether contingent consideration payments are dependent on conditions outside of the Company's control, and if so, does not recognize contingent purchase consideration until such conditions are met. It was the Company's judgment that the remaining payments to be made in the acquisition of South Lida claims are contingent on successfully obtaining a listing on the Canadian Securities Exchange. As such, these future payments have not been accrued.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Critical accounting judgments (continued)

The preparation of these financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash on deposit and highly liquid short-term interest bearing variable rate investments with an original maturity of three months or less, or which are readily convertible into a known amount of cash with no significant charges. As at December 31, 2017, the Company had no cash equivalents.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency for the Company is the Canadian dollar.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange on the statement of financial position date while nonmonetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of operations.

Share-based payments

The Company grants stock options to buy common shares of the Company to directors, officers, employees and service providers. The Company recognizes share-based payments expense based on the estimated fair value of the options. A fair value measurement is made for each vesting installment within each option grant and is determined using the Black-Scholes option-pricing model. The fair value of the options is recognized over the vesting period of the options granted as both share-based payments and reserves. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The reserves account is subsequently reduced if the options are exercised and the amount initially recorded is then credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Exploration and evaluation assets

Pre-exploration costs are expensed as incurred.

All expenditures related to the cost of exploration and evaluation of mineral resources including acquisition costs for interests in mineral claims are capitalized as exploration and evaluation assets and are classified as intangible assets. General exploration costs not related to specific mineral properties are expensed as incurred. If economically recoverable reserves are developed, capitalized costs of the related property are reclassified as mining assets and upon commencement of commercial production, are amortized using the units of production method over estimated recoverable reserves. Impairment is assessed at the level of cash-generating units.

The Company has not yet determined whether or not any of its exploration and evaluation assets contain economically recoverable reserves. Amounts capitalized to exploration and evaluation assets do not necessarily reflect present or future values.

Exploration and evaluation assets are regularly reviewed for impairment or whenever events or changes in circumstances indicate that the carrying amount may exceed its recoverable amount. When an impairment review is undertaken, the recoverable amount is assessed by reference to the higher of a value in use (being the present value of expected future cash flows of the relevant cash generating unit) and fair value less costs to sell. If the carrying amount of an asset exceeds the recoverable amount an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as the related asset.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the period.

For the period presented the Company has no provisions for environmental rehabilitation.

Loss per share

Basic loss per share is calculated using the weighted-average number of shares outstanding during the year. The diluted earnings (loss) per share reflects the potential dilution of common share equivalents, such as outstanding stock options and warrants, in the weighted average number of common shares outstanding during the period, if dilutive.

Financial instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise cash, subscriptions receivable, accounts payable and accrued liabilities and convertible notes.

a) Financial assets

The Company has recognized its cash as FVTPL. A financial instrument is classified at FVTPL if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Financial instruments at FVTPL are measured at fair value and changes therein are recognized in profit or loss.

The Company has classified its subscription receivable as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at the transaction value, including transaction costs and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Financial instruments (continued)

a) Financial assets (continued)

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

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets. Available-for-sale financial assets are measured initially at their fair value including transaction costs directly attributable to the acquisition. They are subsequently measured at fair value. Unrealized gains and losses are recognized in other comprehensive income (loss), except for impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses.

b) Financial liabilities

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

Fair value through profit or loss (FVTPL) - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities - This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities and convertible notes are included in this category. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

Refer to Note 11 for the required disclosures.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Impairment of long-lived assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

3. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2017. Updates which are not applicable or are not consequential to the Company have been excluded thereof. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9 – New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

- IFRS 15 - New standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers, effective for annual periods beginning on or after January 1, 2018.

- IFRS 16 – Leases: New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019.

4. PREPAID EXPENSES

Prepaid expenses consist of amounts paid in advance for services which will be provided subsequent to December 31, 2017, including consulting services of $251,008 and social media services of $65,625 (Note 8).

5. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets, and, to the best of its knowledge, title to all of its properties, are properly registered and in good standing.

South Lida claims (Nevada, US)

On July 1, 2017, the Company entered into a Claims Purchase Agreement (the "Claims Purchase Agreement") with David Saderholm (the "Trustee"), Eric Saderholm, Patricia Saderholm, Warwick Smith and Tarin Smith (collectively, the "Vendors") (the "Claims Purchase Agreement") whereby the Vendors agreed to sell the South Lida Property in exchange for shares in the Company.

Under the Claim Purchase Agreement, the Company will issue to the Vendors a total of 3,000,000 common shares (the "Property Shares") as follows:

a) 500,000 Property Shares on July 1, 2017 (issued);
b) 500,000 Property Shares on the listing date (Note 7(c));
c) 1,000,000 Property Shares on the earlier of (i) six months after the listing date and (ii) the date the Property is sold or otherwise transferred as part of a transaction for value approved by the Board of the Purchaser; and
d) 1,000,000 Property Shares on the earlier of (i) the one-year anniversary after the listing date and (ii) the date the Property is sold or otherwise transferred as part of a transaction for value approved by the Board of the Purchaser.

On July 1, 2017, the Company issued 500,000 common shares with a fair value of $25,000 to the Vendors in exchange for the South Lida Property pursuant to the Claims Purchase Agreement.

The acquisition of the South Lida property is a related party transaction as one of the Vendors is also an officer and director of the Company.

Tuscarora property (Nevada, US)

On November 6, 2017, the Company entered into an option agreement (the "Option Agreement") with Novo Resources Corp. Pursuant to the Option Agreement, Novo Resources Corp. will grant the Company the exclusive right and option to acquire a 100% right, title, and interest in and to the Tuscarora Property (the "Option").

5. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Tuscarora property (continued)

In consideration of the Option, the Company will:

a) make cash payments to Novo Resources Corp. of $375,000, in three equal installments of $125,000 as follows:
   (i) the first instalment due on the earlier of the listing date (Note 7(c)) and January 31, 2018 (Paid on January 24, 2018);
   (ii) the second instalment due on the earlier of the first anniversary of the listing date and January 31, 2019; and
   (iii) the third instalment due on the earlier of the second anniversary of the listing date and January 31, 2020;

b) issue common shares of the Company with total value of $200,000 to Novo Resources Corp. in three equal instalments, with one-third issued on each of the listing date and the first and second anniversaries of the listing date; and

c) incur USD$100,000 in expenditures on the property annually, starting on the twelve-month period commencing on the first anniversary of the listing date and per each successive twelve-month period thereafter.

The property is subject to net smelter returns royalties of 0.5%.

6. CONVERTIBLE NOTES

On December 22, 2017, the Company issued 3-year, non-interest bearing convertible notes in the aggregate principal amount of $867,500. The convertible notes mature on December 21, 2020 and are convertible at any point prior to maturity, at the option of the note holders, into common shares at the conversion price per common share equal to $0.10.

Using a risk-adjusted discount rate of 20%, the Company calculated and recorded the equity portion of the notes to be $365,475 before the allocation of issuance costs.

In connection with the convertible debentures, the Company incurred issuance costs of $7,343. These issuance costs are recorded as a reduction of the carrying value of the liability ($4,249) and equity ($3,094) portions of the convertible debentures.

During the period ended December 31, 2017, accretion expense of $2,247 was recorded as accretion of interest with a corresponding increase in the carrying value of the liability. None of these convertible debentures were converted during the period ended December 31, 2017. As at December 31, 2017, the carrying value of convertible debentures is $500,023.

7. SHARE CAPITAL

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

At December 31, 2017, the Company had 10,730,001 common shares issued and with a value of $532,332.

During the period ended December 31, 2017

- The Company issued 1 share at nominal value to the incorporator.

- The Company issued 500,000 common shares with a fair value of $25,000 in exchange for the South Lida Property (Note 5).

- The Company completed a non-brokered private placement of 10,230,000 common shares at $0.05 per share for total proceeds of $511,500 of which $19,000 was received subsequent to December 31, 2017.

  In connection with this private placement, the Company incurred $4,169 in share issue costs.

c) Warrants

During the period ended December 31, 2017, the Company issued 10,655,000 Special Warrants (the “Special Warrant”) for total proceeds of $2,663,750.

Each Special Warrant will automatically convert, without the payment of any additional consideration, into one common share of the Company and one-half of a transferable share purchase warrant (the “Warrant”) on the earlier of the date of:

a) the third business day after a receipt for a final prospectus qualifying the distribution of the Shares and Warrants issuable upon the conversion of the Special Warrants.

b) four months and one day after the issue date of the Special Warrants.

Each whole Warrant will entitle the holder to purchase one common share of the Company at any time at a price of $0.35 per share for a period equal to the shorter of:

a) one year after the listing date that the common shares of the Company are listed on the Canadian Securities Exchange (“CSE”) or another stock exchange recognized under provincial securities laws; and

b) five years after the issue date of the Special Warrants, subject to abridgement on an occurrence of a trigger event which is at any time after the listing date, the Company may abridge the exercise period of the Warrants if the ten-day volume weighted average trading price of the Shares is greater than $0.50.

In connection with this Special Warrants, the Company incurred issuance costs of $103,572.

8. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

During the period ended December 31, 2017, the Company acquired the South Lida property, which was considered a related party transaction (Note 5).

During the period ended December 31, 2017, the Company incurred consulting fees of $13,332 to Harbourside Consulting Ltd. which is controlled by the Chief Executive Officer and the sole Director of the Company. Accounts payable and accrued liabilities as at December 31, 2017 included $13,332 due to Harbourside Consulting Ltd. These amounts are unsecured, non-interest-bearing and payable on demand.

During the period ended December 31, 2017, the Company paid $78,750 to Tarin Smith, the spouse of the Chief Executive Officer and the sole Director of the Company, for one-year social media services, of which $13,125 was charged to the statement of loss and comprehensive loss as shareholder information and investor relations expenses and $65,625 remained as prepaid expenses as at December 31, 2017.

9. SEGMENTED INFORMATION

The Company operates in one reportable segment being the exploration and development of mineral properties. All of the Company's non-current assets are located in the United States.

10. CAPITAL MANAGEMENT

The Company defines its components of equity as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue business opportunities and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust capital structure, the Company may consider issuing new shares, and/or issue debt, acquire or dispose of assets, or adjust the amount of cash on hand.

The Company's investment policy is to keep its cash on deposit in an interest-bearing Canadian chartered bank account. There have been no changes to the Company's approach to capital management at any time from the date of incorporation to December 31, 2017. The Company is not subject to externally imposed capital requirements.

11. FINANCIAL INSTRUMENTS

a) Fair value

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

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's subscriptions receivable and accounts payable and accrued liabilities approximate their carrying value, which is the amount recorded on the statement of financial position. Convertible debentures are carried at amortized cost. The Company's other financial instrument, cash, under the fair value hierarchy is based on level one quoted prices in active markets for identical assets or liabilities.

b) Financial risk management

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash, and subscriptions receivable.

The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The Company has no investments in asset-backed commercial paper.

The Company's subscriptions receivable was collected subsequent to December 31, 2017.

The Company's maximum exposure to credit risk is the carrying value of its financial assets.

Management believes that the credit risk related to its cash and subscriptions receivable is negligible.

11. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

At December 31, 2017, the Company had cash of $3,414,736 and accounts payable and accrued liabilities of $134,582. All accounts payable and accrued liabilities are current.

Market Risk

The significant market risks to which the Company is exposed are interest rate risk, foreign currency risk, and price risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is held at a Canadian chartered bank. Management believes that the credit risk concentration with respect to cash is remote as the cash are easily accessible

The Company's interest rate risk principally arises from the interest rate impact of interest earned on cash. A 1% change in interest rates on cash balances at December 31, 2017 would result in an approximately $34,000 change to the Company's net loss for the period ended December 31, 2017.

The Company's convertible debentures are not subject to interest rate risk as they are non-interest bearing.

11. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management (continued)

Market risk

Foreign Currency risk

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars ("CAD"). The Company has not entered into any foreign currency contracts to mitigate this risk.

The Company's cash, subscriptions receivable, and accounts payable and accrued liabilities are held in CAD and United States dollars ("USD"); therefore, USD accounts are subject to fluctuation against the CAD.

The Company's financial instruments were denominated as follows as at December 31, 2017:

	in Canadian dollars	in US dollars
Cash	3,300,225	91,239
Subscriptions receivable	19,000	-
Accounts payable and accrued liabilities	(108,114)	(21,089)
Total foreign currencies	**3,211,111**	**70,150**
Foreign currency rate	1.000	1.2551
Equivalent to Canadian dollars	**$ 3,211,111**	**$ 88,043**

Based on the above net exposures as at December 31, 2017, and assuming that all other variables remain constant, a 10% change of the CAD against the USD would change profit or loss by approximately $8,800.

Price risk

Price risk relates to fluctuations in equity prices. The Company is not exposed to price risk as its common shares are not publicly traded at this time.

(Expressed in Canadian Dollars)

12. INCOME TAXES

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

		2017
Earnings (loss) for the year	$	(440,627)
Expected income tax (recovery)	$	(115,000)
Change in statutory, foreign tax, foreign exchange rates and other		(21,000)
Change in unrecognized deductible temporary differences		136,000
Total income tax expense (recovery)	**$**	**-**

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

		2017	**Expiry Date Range**
Temporary Differences			
Non-capital losses available for future periods	$	440,000	2037

Tax attributes are subject to review, and potential adjustment, by tax authorities.

13. SUBSEQUENT EVENTS

Subsequent to December 31, 2017:

- The Company issued 3-year, non-interest bearing convertible notes in the aggregate principal amount of $101,500 of which $6,500 was received prior to December 31, 2017.

- The Company issued 710,000 Special Warrants for total proceeds of $177,500 of which $120,000 was received prior to December 31, 2017.

American Pacific Mining Corp.

MANAGEMENT DISCUSSION & ANALYSIS

December 31, 2017

(Expressed in Canadian Dollars)

BACKGROUND

This Management Discussion and Analysis ("MD&A") of American Pacific Mining Corp. ("APMC" or the "Company") financial position and results of operations for the period ended December 31, 2017 is prepared as at February 27, 2018. This MD&A should be read in conjunction with the audited financial statements for the year ended December 31, 2017 and the supporting notes. Those audited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

FORWARD-LOOKING INFORMATION

This discussion contains "forward-looking statements" that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

This MD&A may contain forward-looking statements that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

COMPANY OVERVIEW

The Company was incorporated under the Business Corporations Act (British Columbia) on July 1, 2017. The Company is engaged in the business of mineral exploration and its objective is to locate and develop mineral properties in Western United States.

The head office of the Company is located at Suite 910 - 510 Burrard Street, Vancouver, BC V6C 3A8. The registered and records office of the Company is located at Suite 1500 – 1055 West Georgia Street, PO Box 11117, Vancouver, British Columbia V6E 4N7.

The Company has one wholly-owned subsidiary, American Pacific Mining (US) Inc. ("APM Sub"). APMB Sub was incorporated in Nevada, United States pursuant to Chapter 78 of the *Nevada Revised Statutes* on January 13, 2018.

DESCRIPTION OF THE BUSINESS

South Lida claims (Nevada, US)

On July 1, 2017, the Company entered into the South Lida Agreement with David Saderholm, the registered owner of the Property pursuant to a declaration of trust, and the Vendors, pursuant to which the Company acquired an undivided 100% of all the Vendors' right, title, and interest in and to the South Lida Property. As consideration, the Company issued 500,000 Common Shares to the Vendors on signing of the South Lida Agreement. Under the South Lida Agreement:

(a) an additional 500,000 Common Shares are to be issued to the Vendors on the Listing Date;
(b) an additional 1,000,000 Common Shares are to be issued to the Vendors on the earlier of:
    (i) six months after the Listing Date; and
    (ii) the date the South Lida Property is sold or otherwise transferred as part of a transaction for value approved by the Board;
(c) and an additional 1,000,000 Common Shares on the earlier of:
    (i) the one-year anniversary after the Listing Date; and
    (ii) the date the South Lida Property is sold or otherwise transferred as part of a transaction for value approved by the Board.

<u>Tuscarora property (Nevada, US)</u>

On November 6, 2017, the Company entered into the Option Agreement with Novo Resources Corp. ("Novo") to acquire a one hundred percent right, title and interest in and to the Tuscarora Property (the "Option"). The Tuscarora Property consists of 24 claims covering approximately 447 acres within the Tuscarora Mining District in Elko County, Nevada centered on UTM coordinates 565568E/4573240N. The Tuscarora District lies at the foot of Mount Blitzen on the eastern slope of the Northern Tuscarora Range.

The Tuscarora Property is the sole material property of the Company at this time, and the Company seeks to list its Common Shares on the Exchange with the Tuscarora Property as its qualifying property.

In consideration for the Option, the Company will:

(a) make cash payments to Novo of $375,000, in three equal installments of $125,000 as follows:
    (i) the first instalment due on the earlier of the listing date and January 31, 2018 (Paid on January 24, 2018);
    (ii) the second instalment due on the earlier of the first anniversary of the listing date and January 31, 2019; and
    (iii) the third instalment due on the earlier of the second anniversary of the listing date and January 31, 2020;
(b) deliver shares of the Company to Novo equivalent to $200,000 in three equal instalments, with one-third issued on each of the listing date and the first and second anniversaries of the listing date; and
(c) incur USD$100,000 in expenditures on the property annually starting on the twelve-month period commencing on the first anniversary of the listing date and per each successive twelve-month period thereafter.

The Company may exercise the Option at any time after completing the cash and share payments.

Following the exercise of the Option, the Company has agreed to:

(a) pay a royalty interest to Novo of 0.5% of Net Smelter Returns which may be reduced to nil (0%) by paying USD$500,00;
(b) pay a royalty interest to Nevada Select Royalty, Inc. based on the New York COMEX price of gold per troy ounce, payable as follows:

Less than or equal to $1,500	2.0%
Greater than $1,500 but less than or equal to $2,000	3.0%
Greater than $2,000	4.0%

RESULTS OF OPERATIONS

Three months ended December 31, 2017

During the three months ended December 31, 2017, the Company recorded a net loss of $425,617.

During the three months ended December 31, 2017, the Company incurred the following expenditures:

- Consulting fees of $78,553;
- Professional fees of $94,603;
- Project evaluation costs of $161,835; and
- Shareholder information and investor relations of $ $76,822.

From the date of incorporation on July 1, 2017 to December 31, 2017

The Company recorded a net loss of $440,627 from the date of incorporation on July 1, 2017 to December 31, 2017.

From the date of incorporation on July 1, 2017 to December 31, 2017, the Company incurred the following expenditures:

- Consulting fees of $78,553;
- Professional fees of $109,565;
- Project evaluation costs of $161,835; and
- Shareholder information and investor relations of 76,822.

SUMMARY OF QUARTERLY INFORMATION

The quarterly results for the last eight quarters are summarized below:

	Three months ended			
	December 31, 2017	**September 30, 2017**	**June 30, 2017**	**March 31, 2017**
Interest income	$ -	$ -	N/A	N/A
Net loss	425,617	15,010	N/A	N/A
Basic and diluted loss per share	$ 0.13	$ 0.03	N/A	N/A

	Three months ended			
	December 31, 2016	**September 30, 2016**	**June 30, 2016**	**March 31, 2016**
Interest income	N/A	N/A	N/A	N/A
Net loss	N/A	N/A	N/A	N/A
Basic and diluted loss per share	N/A	N/A	N/A	N/A

SELECTED INFORMATION

	For the three months ended		
	December 31, 2017	December 31, 2016	December 31, 2015
Operating expenses	$ 440,627	N/A	N/A
Interest and miscellaneous income	-	N/A	N/A
Net loss	440,627	N/A	N/A
Basic and diluted loss per share	0.10	N/A	N/A

As at:	December 31, 2017	December 31, 2016	December 31, 2015
Working capital	$ 3,615,787	N/A	N/A
Total assets	3,775,369	N/A	N/A
Total liabilities	634,605	N/A	N/A
Share capital	532,332	N/A	N/A
Deficit	(440,627)	N/A	N/A

LIQUIDITY AND CAPITAL RESOURCES

The Company's activities have been funded through equity financings and the Company expects it will continue to be able to utilize this source of financing until it develops cash flow from future operations.

There can be no assurances the Company will be successful in its endeavors. If such funds are not available or other sources of finance cannot be obtained then Company will be forced to curtail its activities to a level for which funding is available or can be obtained.

As of December 31, 2017, the Company has working capital of $3,615,787, mainly in the form of cash or cash equivalents.

SUBSEQUENT EVENTS

Subsequent to December 31, 2017:

- The Company issued 3-year, non-interest bearing convertible notes in the aggregate principal amount of $101,500 of which $6,500 was received prior to December 31, 2017.

- The Company issued 710,000 Special Warrants for total proceeds of $177,500 of which $120,000 was received prior to December 31, 2017.

OUTSTANDING SHARE DATA

Share Capital

a) Authorized

Unlimited number of common shares without par value.

b) Issued share capital

At December 31, 2017 and the date of this report, the Company had 10,730,001 common shares issued and outstanding.

During the period ended December 31, 2017

- The Company issued 1 share at nominal value to the incorporator.
- The Company issued 500,000 common shares with a fair value of $25,000 in exchange for the South Lida Property.
- The Company completed a non-brokered private placement of 10,230,000 common shares at $0.05 per share for total proceeds of $511,500 of which $19,000 was received subsequent to December 31, 2017.

In connection with this private placement, the Company incurred $4,169 in share issue costs.

c) Warrants

During the period ended December 31, 2017, the Company issued 10,655,000 Special Warrants (the "Special Warrant") for total proceeds of $ 2,663,750.

Each Special Warrant will automatically convert, without the payment of any additional consideration, into one common share of the Company and one-half of a transferable share purchase warrant (the "Warrant")
on the earlier of the date of:

i) the third business day after a receipt for a final prospectus qualifying the distribution of the Shares and Warrants issuable upon the conversion of the Special Warrants.

ii) four months and one day after the issue date of the Special Warrants.

Each whole Warrant will entitle the holder to purchase one common share of the Company at any time at a price of $0.35 per share for a period equal to the shorter of:

i) one year after the listing date that the common shares of the Company are listed on the CSE or another stock exchange recognized under provincial securities laws; and

ii) five years after the issue date of the Special Warrants, subject to abridgement on an occurrence of a trigger event which is at any time after the listing date, the Company may abridge the exercise period of the Warrants if the ten-day volume weighted average trading price of the Shares is greater than $0.50.

In connection with this Special Warrants, the Company incurred issuance costs of $103,572.

CONVERTIBLE NOTES

On December 22, 2017, the Company issued 3-year, non-interest bearing convertible notes in the aggregate principal amount of $867,500. The convertible notes mature on December 21, 2020 and are convertible at any point prior to maturity, at the option of the note holders, into common shares at the conversion price per common share equal to $0.10.

Using a risk-adjusted discount rate of 20%, the Company calculated and recorded the equity portion of the notes to be $365,475 before the allocation of issuance costs.

In connection with the convertible debentures, the Company incurred issuance costs of $7,343. These issuance costs are recorded as a reduction of the carrying value of the liability ($4,249) and equity ($3,094) portions of the convertible debentures.

During the period ended December 31, 2017, accretion expense of $2,247 was recorded as accretion of interest with a corresponding increase in the carrying value of the liability. None of these convertible debentures were converted during the period ended December 31, 2017. As at December 31, 2017, the carrying value of convertible debentures is $500,023.

RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

During the period ended December 31, 2017, the Company acquired the South Lida property, which was considered a related party transaction (Note 4).

During the period ended December 31, 2017, the Company incurred consulting fees of $13,332 to Harbourside Consulting Ltd. which is controlled by the Chief Executive Officer and the sole Director of the Company. Accounts payable and accrued liabilities as at December 31, 2017 included $13,332 due to Harbourside Consulting Ltd. These amounts are unsecured, non-interest-bearing and payable on demand.

During the period ended December 31, 2017, the Company paid $78,750 to Tarin Smith, the spouse of the Chief Executive Officer and the sole Director of the Company, for one-year social media services, of which $13,125 was charged to the statement of loss and comprehensive loss as shareholder information and investor relations expenses and $65,625 remained as prepaid expenses as at December 31, 2017.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

These financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these Financial Statements have been prepared using the accrual basis of accounting except for cash flow information. Refer to Note 2 of the audited financial statements for the period ended December 31, 2017 for details on critical accounting estimates and judgments.

CHANGES IN ACCOUNTING POLICIES

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2017. Updates which are not applicable or are not consequential to the Company have been excluded thereof. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9 – New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

- IFRS 15 - New standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers, effective for annual periods beginning on or after January 1, 2018.

- IFRS 16 – Leases: New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019.

FINANCIAL INSTRUMENTS

a) Fair value

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

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's subscriptions receivable and accounts payable and accrued liabilities approximate their carrying value, which is the amount recorded on the statement of financial position. Convertible debentures are carried at amortized cost. The Company's other financial instrument, cash, under the fair value hierarchy is based on level one quoted prices in active markets for identical assets or liabilities.

b) Financial risk management

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash, and subscriptions receivable.

The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The Company has no investments in asset-backed commercial paper.

The Company's subscriptions receivable was collected subsequent to December 31, 2017.

The Company’s maximum exposure to credit risk is the carrying value of its financial assets.

Management believes that the credit risk related to its cash and subscriptions receivable is negligible.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

At December 31, 2017, the Company had cash of $3,414,736 and accounts payable and accrued liabilities of $134,582. All accounts payable and accrued liabilities are current.

Market Risk

The significant market risks to which the Company is exposed are interest rate risk, foreign currency risk, and price risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s cash are held at a Canadian chartered bank. Management believes that the credit risk concentration with respect to cash is remote as the cash are easily accessible

The Company’s interest rate risk principally arises from the interest rate impact of interest earned on cash. A 1% change in interest rates on cash balances at December 31, 2017 would result in an approximately $34,000 change to the Company’s net loss for the period ended December 31, 2017.

The Company’s convertible debentures are not subject to interest rate risk as they are non-interest bearing.

Foreign Currency risk

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars (“CAD”). The Company has not entered into any foreign currency contracts to mitigate this risk.

The Company’s cash, sales tax receivable, subscriptions receivable, and accounts payable and accrued liabilities are held in CAD and United States dollars (“USD”); therefore, USD accounts are subject to fluctuation against the CAD.

The Company’s financial instruments were denominated as follows as at December 31, 2017:

	in Canadian dollars	in US dollars
Cash	3,300,225	91,239
Subscriptions receivable	19,000	-
Accounts payable and accrued liabilities	(108,114)	(21,089)
Total foreign currencies	**3,211,111**	**70,150**
Foreign currency rate	1.000	1.2551
Equivalent to Canadian dollars	**$ 3,211,111**	**$ 88,043**

Based on the above net exposures as at December 31, 2017, and assuming that all other variables remain constant, a 10% change of the CAD against the USD would change profit or loss by approximately $8,800.
Price risk

Price risk relates to fluctuations in equity prices. The Company is not exposed to price risk as its common shares are not publicly traded at this time.

OTHER MD&A REQUIREMENTS

Management's responsibility for financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS, 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.

Risks and uncertainties

Investment in the common shares must be regarded as highly speculative due to the nature of the Company's business and its present stage of operations.

General

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

Limited Operating History

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties optioned by the Company. The purpose of the Private Placement was to raise funds to carry out exploration and, if thought appropriate, development with the objective of establishing economic quantities of mineral reserves. There is no guarantee that economic quantities of mineral reserves will be discovered on any properties optioned by the Company in the near future or at all. If the Company does not generate revenue, it may be unable to sustain its operations in which case it may become insolvent and you may lose your investment.

Speculative Nature of Mineral Exploration

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Acquisition of Additional Mineral Properties

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

Gold Deposits

The Tuscarora Property is in the exploration stage only and is without a known body of gold deposits. Development of this property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

Uninsurable Risks

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

Permits and Government Regulations

The future operations of the Company may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Tuscarora Property.

Environmental and Safety Regulations and Risks

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

Key Person Insurance

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

Mineral Titles

The Company is satisfied that evidence of title to the Tuscarora Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Tuscarora Property. The Company may face challenges to the title of the Tuscarora Property or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Company's business plan.

Loss of Interest in Properties

The Company's ability to maintain an interest in the properties optioned or owned by the Company will be dependent on its ability to raise additional funds by equity financing.

Failure to obtain additional financing may result in the Company being unable to complete the required work required to keep the property interests in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the Tuscarora Property.

Fluctuating Mineral Prices

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

Competition

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

Management

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

Financing Risks

The Company has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the property owned by the Company, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Negative Cash Flows from Operations

The Company had negative operating cash flow for the period from incorporation to September 30, 2017. To the extent that the Company has negative cash flow in future periods, the Company may need to allocate a portion of its cash reserves to fund such negative cash flow.

The Company may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Company.

Resale of Common Shares

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

Conflicts of Interest

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

- 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;
- No commissions or other extraordinary consideration will be paid to such directors and officers; and business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

Tax Issues

Income tax consequences in relation to the Common Shares will vary according to circumstances of each investor. Investors should seek independent advice from their own tax and legal advisers prior to investing in Common Shares of the Company.

Dividends

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

EXHIBIT B

AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee (the "**Audit Committee**") of American Pacific Mining Corp. (the "**Company**") will assist the board of directors (the "**Board**") in fulfilling its financial oversight responsibilities. The Audit Committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the Audit Committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each Audit Committee member must obtain an understanding of the principal responsibilities of Audit Committee membership as well and the Company's business, operations and risks.

2. Composition

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

2.1 Independence

A majority of the members of the Audit Committee must not be officers, employees or control persons of the Company.

2.2 Expertise of Committee Members

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

3. Meetings

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

4. Roles and Responsibilities

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

4.1 External Audit

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

(a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;

(b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;

(c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

(d) review and recommend to the Board the compensation to be paid to the external auditors; and

(e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

4.2 Internal Control

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

(a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and

(b) ensure that the external auditors discuss with the Audit Committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

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

General

(a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and

(b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

(a) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

(b) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and

(c) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

(a) review and approve the interim financial statements prior to their release to the public; and

(b) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

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

4.4 Non-Audit Services

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

Delegation of Authority

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

De-Minimis Non-Audit Services

(a) The Audit Committee may satisfy the requirement for the pre-approval of non-audit services if:

(i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

(ii) the services are brought to the attention of the Audit Committee and approved, prior to the completion of the audit, by the Audit Committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

(a) The Audit Committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

(i) the pre-approval policies and procedures are detailed as to the particular service;

(ii) the Audit Committee is informed of each non-audit service; and

(iii) the procedures do not include delegation of the Audit Committee's responsibilities to management.

4.5 Other Responsibilities

The Audit Committee shall:

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

(b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;

(c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;

(d) review the policies and procedures in effect for considering officers’ expenses and perquisites;

(e) perform other oversight functions as requested by the Board; and

(f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The Audit Committee shall regularly update the Board about Audit Committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

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

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

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

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

6. Guidance – Roles & Responsibilities

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

6.1 Internal Control

(a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;

(b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and

(c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

6.2 Financial Reporting

General

(a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements;

(b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and

(c) understand industry best practices and the Company’s adoption of them.

Annual Financial Statements

(a) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;

(b) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;

(c) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;

(d) consider management's handling of proposed audit adjustments identified by the external auditors; and

(e) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

(a) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;

(b) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and

(c) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:

> (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
>
> (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the company's operations and financing practices;
>
> (iii) generally accepted accounting principles have been consistently applied;
>
> (iv) there are any actual or proposed changes in accounting or financial reporting practices;
>
> (v) there are any significant or unusual events or transactions;
>
> (vi) the Company's financial and operating controls are functioning effectively;
>
> (vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
>
> (viii) the interim financial statements contain adequate and appropriate disclosures.

6.3 Compliance with Laws and Regulations

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

(b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and

(c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

6.4 Other Responsibilities

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

CERTIFICATE OF THE COMPANY

Dated: February 27, 2018

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of British Columbia, Alberta, Ontario, Saskatchewan and Nova Scotia.

"Warwick Smith" Warwick Smith Chief Executive Officer and Director	*"Norman Wareham"* Norman Wareham Chief Financial Officer, Corporate Secretary and Director

ON BEHALF OF THE BOARD OF DIRECTORS

"Ken Cunningham" Ken Cunningham Director	*"Alnesh Mohan"* Alnesh Mohan Director

CERIFICATE OF THE PROMOTERS

Dated: February 27, 2018

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of British Columbia, Alberta, Ontario, Saskatchewan and Nova Scotia.

"Warwick Smith" Warwick Smith Chief Executive Officer and Director	*"Eric Saderholm"* Eric Saderholm President and a director