Scotch Creek Ventures Inc.

Table of concordance from Final Prospectus to Form 2A

PROSPECTUS
INITIAL PUBLIC OFFERING

November 13, 2018

SCOTCH CREEK VENTURES INC.

1085 – 555 Burrard Street,
Vancouver, B.C. V7X 1M8
(604) 685 4745

Minimum of 2,916,666 Common Shares and up to a Maximum of 3,333,333 Common Shares

Price: $0.12 per Common Share

Minimum of $350,000 and up to a Maximum of $400,000

Scotch Creek Ventures Inc. (the "Company") is offering (the "Offering") to purchasers resident in British Columbia and Alberta, through its agent, Canaccord Genuity Corp. (the "Agent") on a commercially reasonable efforts basis, a minimum of 2,916,666 and a maximum of 3,333,333 common shares (the "Common Shares") of the Company at a price of $0.12 per Common Share for minimum gross proceeds of $350,000 and maximum gross proceeds of $400,000. The offering price was determined by negotiation between the Agent and the Company in accordance with applicable policies of the Canadian Securities Exchange (the "Exchange"). See "Plan of Distribution".

	Price to Public(1)	Underwriting Discounts or Commission(1)	Net Proceeds to the Company(2)
Per Common Share	$0.12	$0.0108	$0.1092
Minimum Offering	$350,000	$31,500	$318,500
Maximum Offering	$400,000	$36,000	$364,000

Notes:
(1) The Agent shall receive a cash commission equal to 9% of the aggregate gross proceeds of the Offering and a non-transferable common share purchase warrant (the "Agent's Warrants") to purchase up to that number of Common Shares in the capital of the Company equal to 9% of the aggregate number of Common Shares sold under this Offering, each Agent's Warrant exercisable to purchase one Common Shares at a price of $0.12 per Common Share for a period of 24 months from the Listing Date (as defined herein). The Agent's Warrants will be qualified under this prospectus. In addition, the Company has agreed to reimburse the Agent for all reasonable expenses incurred in connection with this Offering and has provided a retainer of $15,000, from which those expenses are to be deducted with the balance to be paid at Closing and to pay the Agent a non-refundable corporate finance fee of $22,500 (the "Corporate Finance Fee"). See "Plan of Distribution".
(2) Before deducting the balance of the costs of this issue estimated at $57,000, which includes the Corporate Finance Fee, legal and audit fees and other expenses of the Company, the Agent's expenses including its legal fees, the listing fee payable to the Exchange and the filing fees payable to the British Columbia Securities Commission (the "BCSC") and the Alberta Securities Commission (the "ASC"). See "Use of Proceeds".

The Agent (including any registered sub-agents who assist the Agent in the distribution of the Common Shares), as exclusive agent for the purposes of this Offering, conditionally offers on a commercially reasonable efforts basis the Common Shares, and if, as and when issued and delivered by the Company and accepted by the Agent in accordance with the terms and conditions contained in the agency agreement (the "Agency Agreement") dated November 13, 2018 between the Company and the Agent and subject to the approval of certain legal matters on behalf of the Company by Northwest Law Group and on behalf of the Agent by Miller Thomson LLP. See "Plan of Distribution".

Subscriptions for the Common Shares will be received subject to rejection or allotment in whole or in part by the Company and the right is reserved by the Company to close the subscription books at any time without notice. It is expected that the Closing of the offering will occur on a date agreed upon by the Company and the Agent, but not later than the date that is 90 days after a receipt is issued for the final prospectus or if a receipt has been issued for an amendment to the final prospectus, within 90 days of issuance of such receipt and in any event not later than 180 days from the date of receipt of the final prospectus. It is expected that the Common

Shares will be delivered in electronic book entry form through CDS Clearing and Depository Services Inc. ("CDS") or its nominee upon Closing unless the Agent elects for physical share certificates which would be available for delivery upon Closing. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased.

The completion of the Offering is subject to a minimum subscription of Common Shares for aggregate gross proceeds of $350,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the minimum subscription of $350,000 has been raised. In the event that the minimum subscription is not attained within 90 days of the issuance of a receipt for a final prospectus or if a receipt has been issued for an amendment to the final prospectus, within 90 days of issuance of such receipt and in any event not later than 180 days from the date of the receipt of the final prospectus, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction.

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

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

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

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

Investors should consider an investment in the securities of the Company to be speculative and should review the risk factors outlined on page 45 of this prospectus.

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

The Agent's position is as follows:

Agent's Position	Maximum Size or Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price or Average Acquisition Price
Agent's Warrants(1)	300,000 Common Shares(2)	24 months from the Listing Date	$0.12

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

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

Alan J. Morris, the author of the Technical Report (as defined herein) resides outside of Canada and has appointed the following agent for service of process:

Name and Address of Agent
Northwest Law Group Suite 704 – 595 Howe Street Vancouver, BC V6C 2T5

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 is the party has appointed an agent for service of process.

Canaccord Genuity Corp.
609 Granville Street, Suite 2200
P.O. Box 10337
Vancouver, BC V7Y 1H2
Telephone: 604-643-7300
Facsimile: 604-643-7606

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GLOSSARY OF DEFINED TERMS

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

"Agency Agreement"	the agency agreement dated November 13, 2018 between the Company and the Agent, providing that the Agent, on behalf of the Company, conditionally offers the Common Shares, on a commercially reasonable efforts basis.
"Agent"	Canaccord Genuity Corp.
"Agent's Commission"	the cash commission equal to 9% of the total gross proceeds of the Offering payable to the Agent on Closing of the Offering.
"Agent's Warrants"	the non-transferable warrants to be granted to the Agent or its sub-agents, if any, to purchase up to that number of Common Shares equal to 9% of the aggregate number of Common Shares sold under the Offering, each Agent's Warrant exercisable to purchase one Common Share at a price of $0.12 per Common Share, exercisable at any time up to the close of business 24 months from the Listing Date.
"Articles"	the articles of the Company.
"ASC"	the Alberta Securities Commission.
"BCA"	the *Business Corporations Act* (British Columbia).
"BCSC"	the British Columbia Securities Commission.
"CDS"	CDS Clearing and Depository Services Inc.
"Closing"	means closing of the Offering.
"Common Shares"	the common shares in the capital of the Company without par value.
"Company"	Scotch Creek Ventures Inc.
"Corporate Finance Fee"	means the non-refundable $22,500 fee payable to the Agent.
"Directors" or "Board" or "Board of Directors"	the board of directors of the Company.
"Cupz Property"	the contiguous block of 39 unpatented lode mining claims, consisting of 14 claims ("Cupz-1 to Cupz-14") acquired by the Company pursuant to the Cupz Property Purchase Agreement and 25 additional claims staked and held beneficially by the Company, covering approximately 8 hectares area of influence and located in Esmerelda County, Nevada.
"Cupz Property Purchase Agreement"	the agreement dated July 12, 2017, between the Company and the Vendor pursuant to which the Company agreed to purchase and the Vendor agreed to sell a one hundred percent (100%) undivided interest in Cupz-1 to Cupz-14 of the Cupz Property subject to the Royalty.
"Escrow Agreement"	the escrow agreement dated November 13, 2018 among the Company, National Issuer Services Ltd. and the holders of the Escrowed Securities.
"Exchange"	the Canadian Securities Exchange.
"Founders Warrants"	the 3,000,000 common share purchase warrants issued on January 31, 2017, each such Founders Warrants exercisable to purchase one Common Share at a price of $0.05 per Common Share (increases to $0.10 per Common Share on such date that the Company is listed on a public stock exchange) for a period of 24 months from the date of issuance.
"IFRS"	International Financial Reporting Standards.
"Listing Date"	the date on which the Common Shares are first listed for trading on the Exchange.
"NI 43-101"	National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.
"NP 46-201"	National Policy 46-201 – *Escrow for Initial Public Offerings*.
"Offering"	the offering of a minimum of 2,916,666 and a maximum of 3,333,333 Common Shares at a price of $0.12 per Common Share pursuant to this prospectus.
"Qualified Person"	Alan J. Morris, Msc, CPG author of the Technical Report.
"Royalty"	The 3% net smelter returns royalty retained by the Vendor on the claims Cupz-1 to Cupz-14 upon commencement of commercial production, which royalty may be reduced to 1% by paying $1,000,000 to the Vendor and to 2% by paying $500,000 to the Vendor.
"SEDAR"	System for Electronic Document Analysis and Retrieval.
"Stock Option Plan"	The stock option plan adopted by the Directors on May 30, 2018.

“Technical Report”	the report titled “NI 43-101 Technical Report, Cupz Project, Esmeralda County, Nevada, USA”, dated December 30, 2017, which was prepared by the Qualified Person, under the guidelines of NI 43-101.
“Vendor”	means Curellie LLC.

GLOSSARY OF GEOLOGICAL DEFINED TERMS

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

Conversion Factors

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

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

"Ag" Silver.

"As" Arsenic.

"Au" Gold.

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

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

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

"Cu" Copper.

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

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

"g/t" Grams per tonne.

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

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

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

"Grit" A hard, coarse-grained, siliceous sandstone.

"Hydrothermal" Relating to or denoting the action of heated water in the earth's crust.

"ICP-ES" Inductively Coupled Plasma Emission Spectrometer. A type of emission spectrometry used to conduct major element and some trace element analyses of rocks, sediments, and water samples.

"ICP-MS" Inductively coupled plasma mass spectrometry. A type of mass spectrometry which is capable of detecting metals and several non-metals at concentrations as low as one part in 10^{15} (part per quadrillion, ppq) on non-interfered low-background isotopes.

"LiDar" Light Detection and Ranging. A remote sensing method that uses light in the form of a pulsed laser to measure ranges (variable distances) to the Earth, used to produce detailed ground/base maps.

"Limestone" A class of rocks containing at least 80% of the carbonates of calcium or magnesium.

"Lithology" A description of a rock's physical characteristics visible at outcrop, in hand or core samples or with low magnification microscopy, such as colour, texture, grain size, or composition.

"Mafic" An adjective describing an igneous rock consisting largely of dark coloured minerals such as magnesium and iron.

"NQ" Common drill core size of approximately 47.6 mm in diameter.

“Ore”	The naturally occurring material from which a mineral or minerals of economic value can be extracted profitably or to satisfy social or political objectives.
“Outcrop”	A visible exposure of bedrock or ancient superficial deposits on the surface of the Earth.
“ppb”	Parts per billion.
“ppm”	Parts per million.
“Paleozoic”	A major interval of geologic time that began 541 million years ago with the Cambrian explosion, an extraordinary diversification of marine animals, and ended about 252 million years ago with the end-Permian extinction, the greatest extinction event in Earth history.
“Pb”	Lead.
“Phyllite”	Fine-grained metamorphic rock formed by the reconstitution of fine-grained, parent sedimentary rocks, such as mudstones or shale.
“Quartz”	One of the most abundant minerals in the earth’s crust, whose composition is silicon dioxide.
“Rim”	A mineral shell enclosing another mineral in an igneous rock, formed by reaction of the interned mineral with the surrounding rock.
“Sedimentary”	Types of rock that are formed by the deposition and subsequent cementation of that material at the Earth's surface and within bodies of water.
“Schist”	A strongly foliated crystalline rock, formed by dynamic metamorphism, that can be readily split into thin flakes or slabs due to the well-developed parallelism of more than 50% of the minerals present, particularly those of lamellar or elongate prismatic habit.
“Shale”	A fine-grained, clastic sedimentary rock composed of mud that is a mix of flakes of clay minerals and tiny fragments (silt-sized particles) of other minerals, especially quartz and calcite.
“Siltstone”	A fine-grained sedimentary rock consisting of consolidated silt.
“Soil Sampling”	Taking samples of surficial unconsolidated material, between the humus layer and bedrock.
“Stratigraphy”	The study of stratified rocks, especially their sequence in time and correlation in different areas.
“Survey”	The orderly and exacting process of examining and delineating the physical or chemical characteristics of the Earth's surface, subsurface, or internal constitution by topographic, geologic, geophysical, or geochemical measurements.
“Tuff”	A general term for all consolidated pyroclastic rocks generally containing fragments of less than 2mm diameter. Often well bedded when deposited in water.
“Vein”	A tabular or sheet-like body of minerals which has been intruded into a joint or fissure in rocks. Most veins are directly or indirectly related to solutions formed by igneous events and have main constituents of quartz and/or carbonate.
“VLF-EM”	Very low frequency electromagnetic method, which enables surveying without contact with the ground, is suitable for ground surveys in a wide area and has been used in mapping geology for decades. The survey identifies conductive signatures in the ground.
“Volcanic”	A rock formed from magma erupted from a volcano.

CURRENCY

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

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

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

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

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

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

These forward-looking statements are made as of the date of this prospectus and are based on the reasonable beliefs, expectations and opinions of management on the date of this prospectus (or as of the date they are otherwise stated to be made). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. There is no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. We do not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada.

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

PROSPECTUS SUMMARY

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

The Company

Scotch Creek Ventures Inc. (previously defined as the "Company") was incorporated in British Columbia under the *Business Corporations Act (British Columbia)* on January 9, 2017. To date, the Company has been engaged in the acquisition of the Cupz Property located in Esmerelda County, Nevada. Pursuant to the Cupz Property Purchase Agreement, the Company currently has a one hundred percent (100%) undivided interest in the Cupz Property in Esmerelda County, Nevada.

The Cupz Property is comprised of a contiguous block of 39 unpatented lode mining claims covering approximately 8 hectares and is located in the Esmerelda County in the state of Nevada. See "Business of the Company" and "Cupz Property".

The Offering

Offering:	The Company is offering a minimum of 2,916,666 and a maximum of 3,333,333 Common Shares at a price of $0.12 per Common Share for minimum gross proceeds of $350,000 and maximum gross proceeds of $400,000. The prospectus qualifies the distribution of the Common Shares and the Agent's Warrants. See "Plan of Distribution".
Agent's Commission:	Under the terms of the Agency Agreement, the Company will pay the Agent a cash commission (previously defined as the "Agent's Commission") equal to 9% of the total gross proceeds of the Offering. In addition to the Agent's Commission, the Company will issue to the Agent non-transferable warrants (previously defined as the "Agent's Warrants") to purchase that number of Common Shares equal to 9% of the aggregate number of Common Shares sold under the Offering, each Agent's Warrant exercisable to purchase one Common Share at a price of $0.12 per Common Share for a period of 24 months following the Listing Date. The Company has also agreed to pay to the Agent a Corporate Finance Fee of $22,500 and pay for all reasonable expenses of the Agent in connection with the Offering. See "Plan of Distribution".
Use of Proceeds:	The estimated net proceeds of the minimum Offering, after deducting the estimated balance of the expenses of the Offering of $57,000 and the Agent's Commission of $31,500 will be $261,500 and will be used to implement the recommended exploration program on the Cupz Property, to pay the annual BLM (as defined herein) fees on the Cupz Property and for general working capital purposes. The estimated net proceeds of the maximum Offering, after deducting the estimated balance of the expenses of the Offering of $57,000 and the Agent's Commission of $36,000 will be $307,000 and will be used to implement the recommended exploration program on the Cupz Property, to pay the annual BLM fees on the Cupz Property and for general working capital purposes. As at October 31, 2018, the Company had a working capital deficit of $22,039. Accordingly, the Company anticipates having minimum available funds of approximately $239,461 and maximum available funds of approximately $284,961 following Closing of the Offering. See "Use of Proceeds".

Risk Factors

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Company, including risks related to: (i) the substantial number of authorized but unissued shares; (ii) dilution; (iii) the lack of market through which the Common Shares may be sold; (iv) the Company's limited operating history and lack of positive cash flow, (v) current market volatility; (vi) use of funds; (vii) no production history; (viii) limited operating history; (ix) significant long-term debt, (x) exploration, mining and operational risks; (xi) the mineral claims comprising the Cupz Property may be withdrawn or subject to limitation by regulatory authorities; (xii) assurance of title to Cupz Property; (xiii) failure to obtain licenses; (xiv) competing with other mining companies; (xv) conflicts of interest; (xvi) the Company's ability to retain qualified personnel; (xvii) the volatility of commodity prices; (xviii) the exploration program may have a negative environmental impact; (xiv) uninsurable hazards; (xv) health and safety risks; (xvi) tax issues; (xvii) additional requirements for capital; (xviii) smaller companies can be highly volatile; and (xix) liquidity. See "Risk Factors".

Selected Financial Information

The following table summarizes selected financial information for the period from inception on January 9, 2017 to December 31, 2017 and the six month period ended June 30, 2018 and should be read in conjunction with the audited financial statements for the period from inception on January 9, 2017 to December 31, 2017 and the unaudited financial statements for the six month period ended June 30, 2018. See "Management's Discussion and Analysis" and "Financial Statements".

	Six Month Period ended June 30, 2018 (unaudited)	Period from inception on January 9, 2017 to December 31, 2017 (audited)
Revenue	$ -	$ -
Net income (Loss)	(52,575)	(107,242)
Income (Loss) per share (basic and diluted)	(0.00)	(0.04)
Working capital (deficiency)	(7,465)	25,110
Assets		
Current assets	24,854	43,759
Exploration and evaluation assets	108,548	108,548
Total Assets	133,402	152,307
Liabilities		
Current liabilities	32,319	18,649
Promissory Note	20,000	-
Shareholders' Equity	81,083	133,658
Total Liabilities and Shareholders' Equity	$ 133,402	$ 152,307

CORPORATE STRUCTURE

The Company was incorporated under the *Business Corporations Act* (British Columbia) on January 9, 2017 with the name Scotch Creek Ventures Inc.

The Company's head office is located at 1058 – 555 Burrard Street, Vancouver, B.C. V7X 1M8 and its registered office is located at Suite 704, 595 Howe Street, Vancouver B.C. V6C 2T5.

The Company does not have any subsidiaries.

BUSINESS OF THE COMPANY

Description of Business

The Company is engaged in the acquisition and exploration of mineral properties. The Company currently has acquired a one hundred percent (100%) undivided interest in the Cupz Property. The Cupz Property is comprised of 39 lode claims covering approximately 8 hectares located in Esmerelda County, Nevada. The Company's exploration program will be primarily focused on gold exploration.

Three Year History

Since incorporation on January 9, 2017, the Company's activities have focused on the acquisition and exploration of the Cupz Property.

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

On July 12, 2017, the Company entered into the Cupz Property Purchase Agreement, with the Vendor whereby the Company acquired a 100% undivided interest in fourteen (14) claims of the Cupz Property, being Cupz 1 – Cupz 14, for the sum of $17,000 on execution of the agreement.

The Company staked 25 additional claims ("Cupz 15 to Cupz 39") of the Cupz Property in November 2017, which are held beneficially by the Company whilst the registered holder remains Curellie LLC at the request of the Company. The Company requested that all of the claims remain registered in the name of the Vendor until such time as the Company incorporates a wholly owned subsidiary in Nevada for the purpose of registering the Company's ownership interest.

The Vendor will also retain a 3% net smelter return royalty (the "Royalty") on the Cupz Property upon commencement of commercial production.

Government Mining Regulations

Exploration and development activities in the United States are all subject to stringent national, state and local regulations. All permits for exploration and testing must be obtained through the local Bureau of Land Management ("BLM"). The granting of permits requires detailed applications and filing of a bond to cover the reclamation of areas of exploration. From time to time, an archaeological clearance may need to be obtained prior to proceeding with any exploration programs. The Company will be required to adhere to the stipulations of any permits, primarily to plug all drill holes as they are completed and to reclaim roads and drill sites when they are no longer necessary. The Cupz Property is located on open federal land managed by the BLM.

Mining operations are regulated by the federal agency of Mine and Safety Health Administration ("MSHA"). MSHA inspectors will periodically visit projects to monitor health and safety for the workers, and to inspect equipment and installations for code requirements. Although the Company is not engaged in mining operations, it requires all of its workers to have completed safety training courses when working on the project.

Other regulatory requirements monitor the following:

(a) Explosives and explosives handling.

(b) Use and occupancy of site structures associated with mining.

(c) Hazardous materials and waste disposal.

(d) State historic site preservation.

(e) Archaeological and paleontological finds associated with mining.

The Company believes that it is and has been in compliance with all laws and plans to continue to comply with the laws in the future. There is no assurance that any change in government regulations or policies in the future will not adversely affect the Company's business operations.

Employees

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

Trends

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

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

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

CUPZ PROPERTY

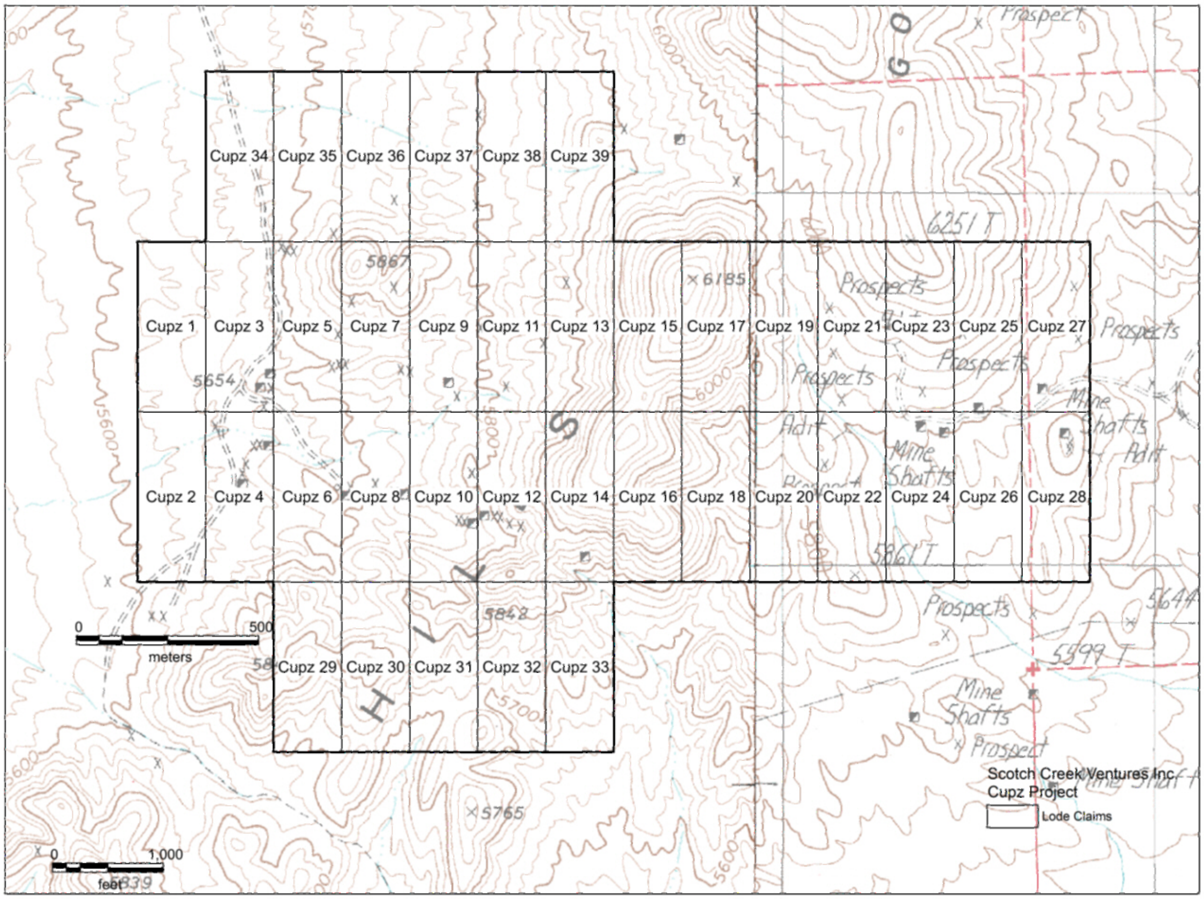
The following represents information summarized from the Technical Report on the Cupz Property dated December 20, 2017 (previously defined as "Technical Report"), prepared by Alan J. Morris, M Sc., CPG, (previously defined as "Qualified Person"), a "qualified person", as defined under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (previously defined as "NI 43-101"), prepared in accordance with the requirements of NI 43-101. Note that not all of the figures and tables from the Technical Report are reproduced in and form part of this prospectus. The remaining figures are contained in the Technical Report which is expected to be made available under the Company's profile on the SEDAR website at www.sedar.com.

Property Description and Location

The Cupz Property consists of 39 unpatented lode mining claims in Esmeralda County, Nevada. The existing Cupz Property covers 806 acres in the Cuprite Hills District.

On July 12, 2017, the Company entered into the Cupz Property Purchase Agreement with the Vendor whereby the Vendor sold the Company an undivided 100% interest in 14 claims (Cupz-1 to Cupz-14) of the Cupz Property. The Company acquired these claims for the sum of $17,000. The Company staked the 25 additional claims (Cupz 15 to Cupz 39) in November 2017 to cover targets revealed by summer – fall exploration work of which the Company is the beneficial holder and Curellie LLC the registered holder. The Cupz Property as a whole consists of a contiguous block of 39 claims (Cupz 1 to Cupz 39), covering about 8 ha (20 acres). The Company holds the Cupz Property outright with no underlying leases. There is no fee land on the Cupz Property.

Project Land Holdings



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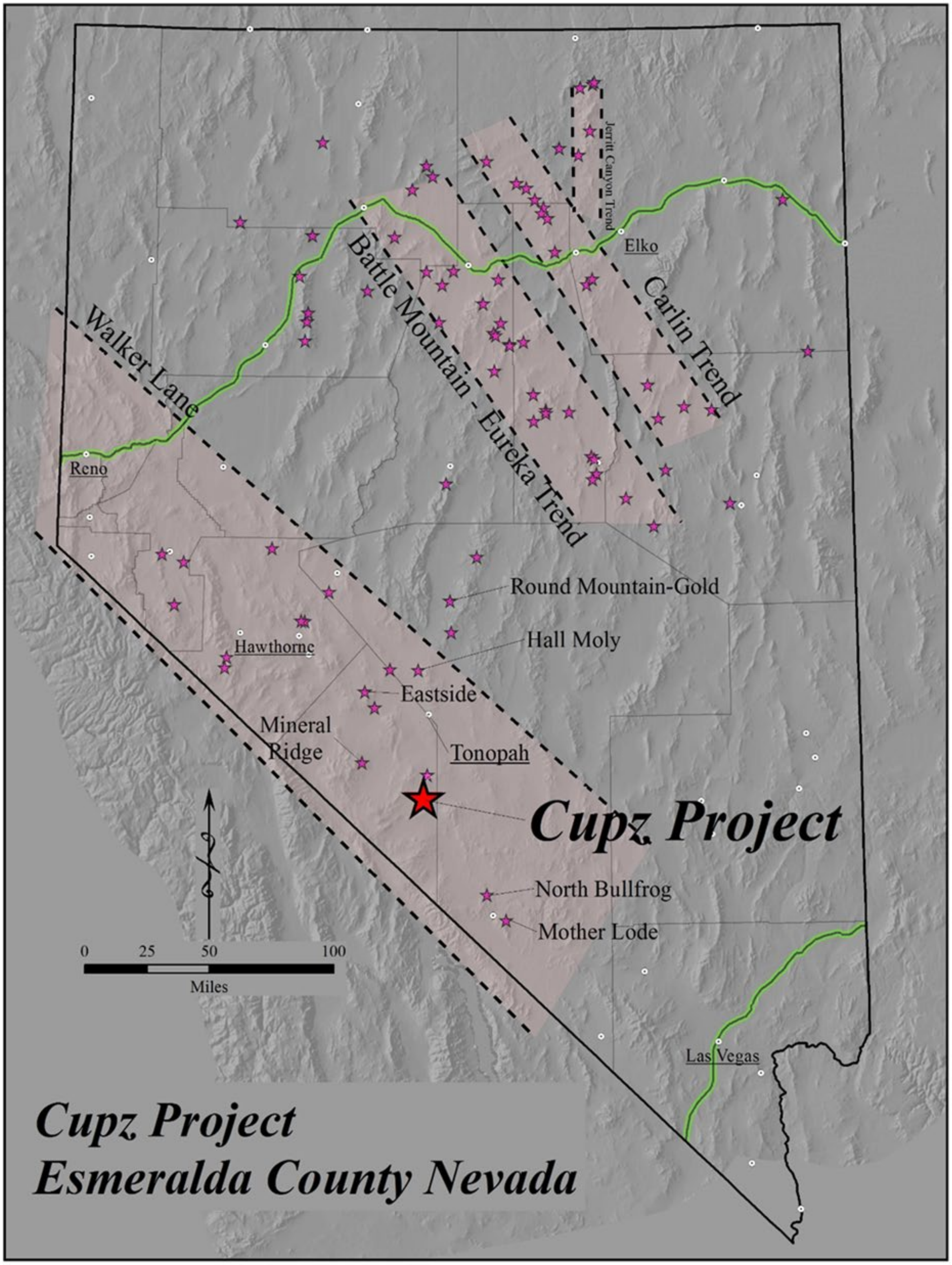
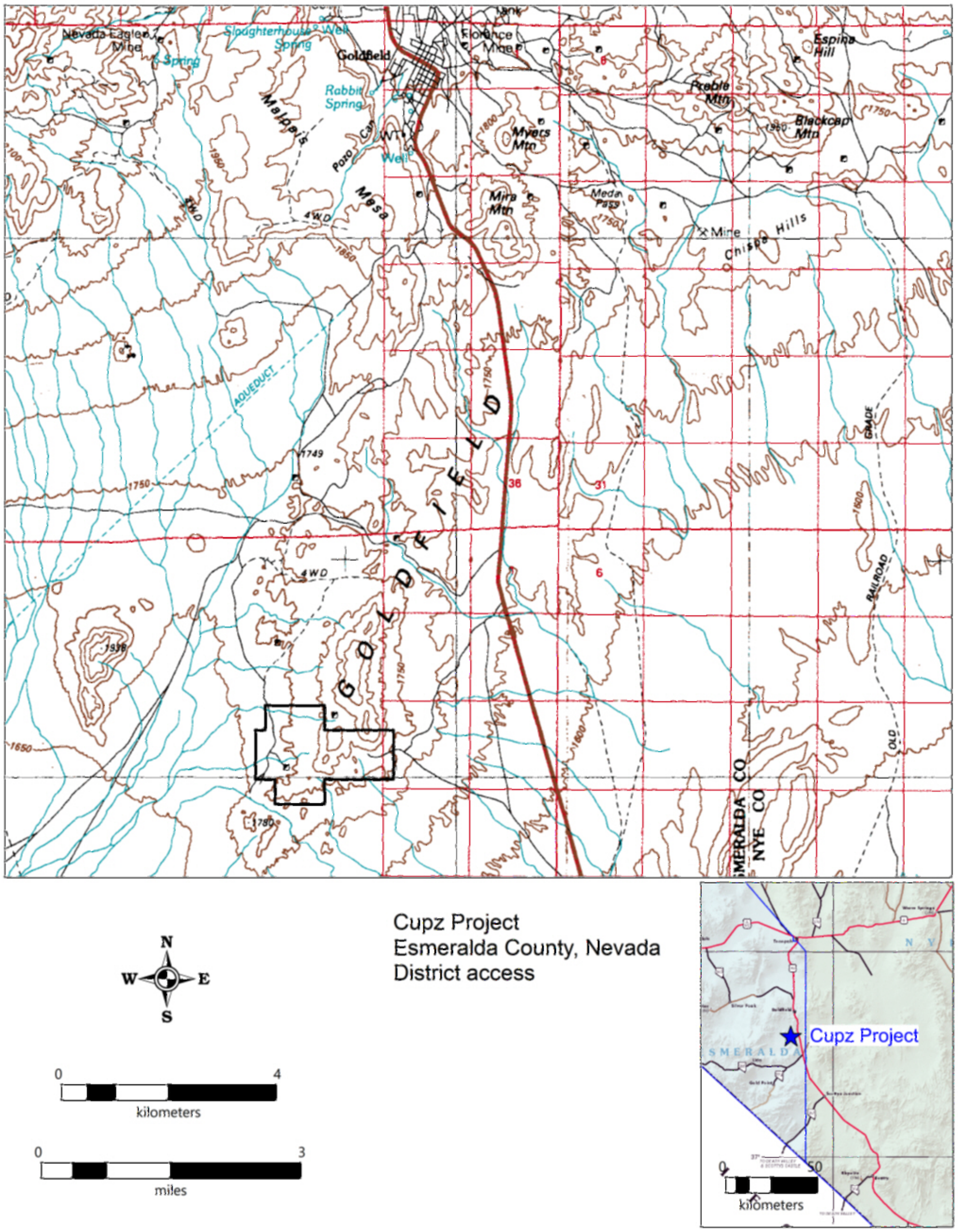
Project: General Location Map (from Hunsaker, 2017)



Cupz Project: Access Map (Claim outline; from Hunsaker, 2017, USA 1:100,000 base map)



The Company holds the Cupz Property via the Cupz Property Purchase Agreement between the Company and Curellie LLC dated July 12, 2017. The general terms of the agreement are an outright purchase of the Cupz Property for $17,000 with a 3% net smelter return (NSR) royalty to Curellie upon commencement of commercial production. The payment schedule is: $CDN 17,000 in cash on execution of the Cupz Property Purchase Agreement, which has been paid. Curellie retains a production net smelter royalty (NSR) of 3% on all minerals produced from the Cupz Property. At any time, the Company may reduce the royalty to 1% by paying $1,000,000 to Curellie or to 2% by paying $500,000.

Several historic mine workings are found on the claim block. For the most part, these have been fenced and stabilized but there is an unknown risk of ground or surface water contamination associated with the workings and their waste piles. Several historic prospect pits and adits exist on the unpatented claims. These are normally not considered an environmental liability to the current claimant. However, if they pose a significant risk to recreationists and other members of the public, they should be fenced and posted with warning signs to avoid potential liability issues.

The Cupz Property is located on open federal land managed by the BLM. On BLM land, permits are required for all significant surface disturbances. Geologic mapping, soil and rock sampling, and other low-impact activities can be conducted without specific permits on a casual use basis. Any road or trail construction used for mechanized equipment, drilling, or trenching will require a permit from the BLM. Up to five acres of disturbance are allowed on a NOI level permit. The NOI can come with restrictions to protect biological, historical, or archeological resources. A performance bond is required to insure the required reclamation work is done.

Disturbance of more than five acres requires a Plan of Operation (POO) which in turn requires an Environmental Assessment (EA). This process is standard practice in Nevada and both the regulators and applicants follow a standard set of rules. Going to a POO can require significant environmental and archeological assessment work before the permit can be issued. Lead times for a POO can take up to a year or two depending on the environment and the extent of proposed operations. If the regulators consider the property large enough or in a sensitive area, an Environmental Impact Statement (EIA) may be required before operating permits are granted.

The initial portion of the exploration program can be conducted under the casual use provision while drilling will require NOI level permits from the BLM. As exploration progresses and surface disturbance occurs, NOI or POO level permits will be applied for as required.

Annual holding costs for the current 39 claim blocks are about USD$6900. BLM (federal) claim rental fees are USD$155 per year, per claim due by September 1 of each year. A Notice of Intent to Hold must also be filed with Esmeralda County by November 1 of each year, payment of State and local fees of USD$22.00 per claim are due with this filing. There are no underlying leases or other requirements to keep the claims in good standing.

The Cupz Property is held via unpatented mining claims under provisions of the Federal Mining Act of 1872 as amended and regulations issued by the U.S. Department of the Interior, Bureau of Land Management. As long as the rental fees are paid, and document filings are made correctly, the claims do not expire. A mining claim grants discovery rights and the exclusive right to explore and develop the claims but it does not give the holder an unfettered right to extract and sell minerals as there are multiple local, state, and federal regulatory approvals and permits required before this can take place.

The author is not aware of any significant factors or risks that may affect access, title, or the right or ability to perform work on the property. The area is not within the parts of Nevada previously proposed for withdrawal to mineral entry as part of the Greater Sage Grouse management plans. However, similar efforts to protect other species cannot be completely ruled out in the future. The area is home to federally protected feral burros and any disturbance permits will likely include provisions to protect them.

To date, the Company has incurred $83,063 in exploration expenditures on the Cupz Property.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Property access, climate, and physical setting are all favorable. The site is remote from large population centers but not so much that it has wilderness value. Normal weather and climate of the area would not hinder year-round access or interfere with exploration and mining activities.

Accessibility

The Cupz Property is 12 road miles southwest of Goldfield, Nevada, and 278 miles (448 km) southeast of Reno or about 195 miles (314 km) from Las Vegas, Nevada. Access is by U.S. Highway 95, traveling 10 miles south of Goldfield, Nevada, and thence traveling westward 2 miles on well-maintained county roads. The Cupz Property is rugged; access other than existing dirt roads and trails is by foot. The project is in southeastern Esmeralda County, about 195 miles (314 km) northwest of Las Vegas, Nevada. The nearest supply center is Tonopah, Nevada. Tonopah offers food, lodging, fuel, and some exploration services. While Las Vegas is a much larger town, Reno is the major supply center for exploration and mining activities in Nevada. All mineral exploration services including supplies, analytical laboratories, and drilling service companies are available in Reno. The nearest airport with commercial service is Las Vegas, Nevada. The Tonopah airport can handle most general aviation aircraft, including business jets.

The highways are sufficient for transportation of exploration-size heavy equipment. Development logistics would use the 2 lane U.S. 95 highway and adjacent power, natural gas, and fiber optic transmission lines in the highway corridor. Four-wheel drive roads and ATV trails provide access to the main target areas.

Local Resources and Infrastructure

Other than a county-maintained gravel access road, drilling roads, and dirt trails, infrastructure on the Cupz Property is negligible.

Since the location, size of the deposit, or the type of processing facility required is not yet known, the development footprint for a mine at the Cupz Property is also not known. The BLM has demonstrated a willingness at several Nevada mines to swap low quality (for grazing and wildlife) land to be used for processing facilities and buildings for higher quality ranch land (purchased on the open market by the mining company).

Drill rigs would likely need to come from Reno or the major regional hub for drilling at Elko, Nevada (310 road miles, 500 km). In many cases, a drill rig will already be in the area working on other jobs, so mobilization distances may be less.

Mining is a common occupation in the area with several small to world class mines operating in the Tonopah-Goldfield-Beatty area over the past several decades. A well-trained and experienced mining workforce pool is available in Nevada that will flow to where it is needed.

Climate and Physiography

The project area is located at an elevation of about 5,800 feet (1,770 meters) in the Basin and Range physiographic province. The area has hot dry summers and cool winters. At Goldfield, Nevada (12 miles NNE of Cupz at an elevation of 5,700 feet, 1,737 meters) the average daily high temperature for July is 32°C (89.6°F) with an average low of 10.5°C (50.9°F); in December, the average high is 6.3 °C (43.3°F) with an average low of -5.8°C (21.5°F). The record high was 108°F (42.2°C) set on July 20, 1906 and the all-time low was -23°F (-30.5°C) set January 21, 1937.

Total precipitation averages 154 mm (6.06 inches) per year with most of this falling in January through June. Rainfall in this environment is highly variable with long dry periods interspersed with major downpours from thunderstorms in the March – October timeframe.

The Cupz Property is in rugged terrain consisting of moderate slopes, rugged rocky ridges, and alluvial fans dissected by dry stream channels. Elevations range from 1,676 meters (5,500 feet) on the lower slopes to about 1,885 meters (6,185 feet) on the crest of the ridge. Vegetation is minimal consisting primarily of desert scrub, cacti, and Joshua trees (a giant Yucca).

History

Regional Mining History

For the most part, mining history in southern Nevada starts with prospecting done by settlers passing through the area headed to California in the mid to late 1840s and then as prospectors fanned out from the Comstock rush in the 1860s. Several districts in the region were discovered between 1867 and 1885.

The project area lies between the Cuprite and Goldfield mining districts. The Goldfield rush was relatively late, with initial discovery in 1901 and initial production in 1903. Cuprite was discovered in 1905 but did not produce a significant amount of metal.

Prior to the discovery of the supergiant Carlin type gold deposits, Goldfield ranked as the third largest gold, silver, and copper producer in Nevada. Total gold production from discovery in 1903 to 1951 is estimated to be about 130 Tonnes (4,180,000 oz) with 45 Tonnes of silver (1.45 million oz) and 16,870 tonnes of copper. Production was primarily from high grade quartz – enargite or famatinite (Cu3SbS4) veins in highly altered volcanics. The alteration at Goldfield extends for hundreds of feet beyond the veins covering a total area of about 40 km^2 (15.4 mi^2).

Cuprite and Goldfield are both of the quartz-enargite high-sulfidation type of epithermal mineralization. Other deposits of this type include Summitville, Colorado, and the El Indio deposit in Chile. The region has been used as a test locality for ground, air, and space based remote sensing systems. Most of the voluminous literature on the region is related to the remote sensing efforts in the area. Since the alteration is gaudy and wide-spread, free of vegetative cover, and easily accessible, various scanning systems have been tested here since the 1970s. The Cuprite area has received more attention than Goldfield by the remote sensing community since it is mostly undisturbed by mining activity. Three studies focused on remote sensing applications but also included geologic mapping and ground mineral sampling to validate the remote sensing studies.

Property History

The Cupz Property is a grass roots property with some previous undocumented work. Additional research could be done to see if any records can be uncovered for the previous efforts. The shafts and adits on the Cupz Property look to be several decades old. These have been fenced and placarded by the State of Nevada under their abandoned mines program.

The USGS Mineral Resources Data System (MRDS) lists only one property in southwest part of Section 15, the Rosary One Claims. They are listed as a lead-silver occurrence with tabular galena – pyrite mineralization in a fault zone. Geologists from the Nevada Bureau of Mines and Geology visited the Rosary Claims in 1982 as part of a regional prospect sampling project (Tingley, 1998). They apparently did not get to the western side of the range.

The earliest claims found in the BLM database in the property area were staked by John Clouser in January of 1970 and were dropped in 1981. The table below lists the previous claims in the sections touched by the current Cupz Property position. These claims may or may not have covered parts of the current Cupz Property position. All of them were abandoned prior to the staking of the Cupz claims.

Cupz project area: Previous Claimants

Section	Subdivision	Claimant	Location date	dropped
14	NE, NW, SW, SE	John Clouser	Oct-1970	1981
14	NW	Jack Ridgway	Aug-1979	1996
14	SW	Kofal et al	Aug-1979	1996
14	SW, SE	BriCan Resources	May-1985	1988
14	SW, SE, NW	Cominco American Inc.	Aug-1990	1991
15	SW	John Clouser	Oct-1970	1981
15	NE, SE	Kofal et al	Aug-1979	1996
15	NW, SW	Wade Cavanaugh	Jan 1984	1991
15	NW, SW, SE	Richard Ridgeway	May 1984	1986
15	SE, SW, NW, NE	BriCan Resources Inc.	1984, 1985	1988
15	SE, SW, NW, NE	Cominco American Inc.	Aug-1990	1991
15	SW	Elko Environmental Services	Oct 2009	2013
15	SW	George Klemmick	Oct 2009	2012
16	NE, SE, SW	Wade Cavanaugh et al	Sep 1984	1991
16	NE, NW	Richard Ridgeway	May 1984	1986
16	SE, SW, NW, NE	BriCan Resources Inc	1984, 1985	1989
16	SW	Elko Environmental Services	Oct 2009	2013
16	SW	George Klemmick	Oct 2009	2012

There are reclaimed drill sites and roads on the Cupz Property, but it is not known who drilled them or the results.

Geological Setting and Mineralization

Regional Geology

Regionally, the Cupz Property lies within the Walker Lane deformation zone, a distal reflection of the San Andres plate boundary structure. The oldest rocks in the region are pre-Cambrian sandstone, conglomerate, and limestone of the Deep Springs Formation. The pre-Cambrian sediments were likely deposited on crystalline continental basement. The overlying Cambrian sediments are part of a sequence of continental margin carbonates and clastics.

Thrusting during one of several accretionary events along the (current) west coast of North America resulted in inter-formational slippage in the Cambrian section which metamorphosed the siltstones and limestones to phyllites and marble. This probably reduced their potential to act as host rocks to later mineralization compared to their fresh equivalents in northeast Nevada.

From the Jurassic through the Pleistocene, multiple igneous events resulted in wide-spread volcanism and intrusion of stocks and dikes. Age dating of the various plutonic bodies in the region remains spotty, especially outside of the major mining districts.

Property Geology

The Cupz Property lithology consists of Cambrian Harkless Formation, Cambrian Mule Spring Limestone, and Cambrian Emigrant Formation, listed oldest to youngest. Cupz has two intrusive events, mafic/lamprophyre dikes, and felsic dikes, which could be as young as Tertiary in age. The dikes are likely controlled by the major fault trends.

There are three primary fault trends on the Cupz Property. They are: north-south, north-northeast, and WNW/ESE. The WNW/ESE fault has down dropped the Emigrant Formation.

The Cupz Property has two overlapping mineralizing events. The widespread gold and copper bearing event appears to be to the southwest, predominantly associated with the felsic dikes, but sometimes related to the mafic/lamprophyre dikes. A base metal dominant (Cu, Pb, Zn, plus Ag) event postdates the felsic dikes.

Mineralization

Mineralization discovered to date consists of structurally controlled veins and disseminated sulfides (or their oxidized remnants) in fracture zones. At this point, a coherent mineralized body has not been identified. However geochemical and geophysical work has identified areas for additional geologic and geochemical investigation and eventual drilling.

The mineralization consists of quartz veins with oxide copper minerals some carrying trace to 3.87 ppm gold. Most of the observed mineralization occurs along a 300 meter by 50 meter north-northeast trending structural zone and dike swarm on the western part of the Cupz Property or the ESE trending fault zone in the southern part of the Cupz Property. The ESE trending zone is about 500 meters long and varies for 50 to 100 meters wide.

Deposit Types

At this early point it is unknown what the exact nature of the mineralization may prove to be. The greater Cuprite district mineralizing system is thought to be the result of a large magma body at depth. While it is not known if this system is a porphyry copper deposit or a weakly mineralized “failed porphyry.” Despite the name, a “failed porphyry” can throw off significant mineralization, the only failure is that it did not produce an economic porphyry copper deposit.

The large gold-silver-copper gold deposit at Goldfield is of the high-sulfidation quartz-enargite type. Alteration observed in the Cuprite district is analogous to an upper level (above the metal deposition) expression of the quartz-enargite deposit type. Alteration in the Cupz area is not of the high-level type, nor is it in volcanic rocks. This deeper level of exposure and the sedimentary rock host points more to a deeper vein type system, perhaps pre-dating the eruption of the host rocks at Goldfield and Cuprite.

The bi-modal (felsic and strongly mafic) dikes at Cupz might indicate a more rift related igneous event than a distal expression of a porphyry event. The age of the dikes at Cupz is not known, they might range in age from Jurassic to late Tertiary. Until direct dating or geologic superposition information is developed, it is not possible to determine if they are related to a single event or are a case of multiple events using the same structural feature.

As this point, the mineralization is clearly igneous related but its exact position in the intrusive related mineralization spectrum is not clear.

Exploration

The Cupz Property is in an early stage of exploration. Work done on the Cupz Property to date includes geologic mapping, prospecting, scale rock chip sampling, ground magnetics, and gravity.

Surface Exploration

Surface exploration is limited to geologic mapping and rock chip sampling of prospects and altered outcrops. The results of these samples are discussed in the geochemical exploration section below.

Geophysical Surveys

The Cupz Property and surrounding environs were covered with ground magnetic and gravity surveys to help map out structures hidden under cover in the valley and pediment gravel on the lower slopes. Magnetics was also applied to help map out the mafic dikes and look for zones of magnetite-destructive alteration.

McGee Geophysical of Reno was contracted to perform the data collection for the gravity and magnetic surveys. A total of 336 new gravity stations were read during the survey conducted September 7 – 9, 2017. Stations on the east side of the valley were spaced on a 200-meter grid and those in the basin to the west were on a 400-meter grid.

Relative gravity measurements were made with LaCoste & Romberg Model-G gravity meters. Topographic surveying was performed with Trimble Real-Time Kinematic (RTK) and Fast-Static GPS. The gravity survey is tied to the US Department of Defense gravity base TONOPAH (DoD reference number 0455-2).

All gravity stations were surveyed using the Real-Time Kinematic (RTK) GPS method or, where it was not possible to receive GPS base information via radio modem, the Fast-Static method was used. A GPS base station, designated CUPZ1, was used on the project. The coordinates and elevation of this base station location were determined by making simultaneous GPS occupations in the Fast Static mode with Continuously Operating Reference Stations (CORS). Topographic surveying was performed simultaneously with gravity data acquisition.

The survey was conducted during the period September 7 to 9, 2017. A total of 98.6 line kilometers of magnetic data were acquired using Geometrics Model G-858 magnetometers.

Real-time differentially-corrected GPS was used for positioning. Measurements of the total magnetic intensity were taken in the continuous mode at two-second intervals along east-west lines spaced 200 meters apart. A base magnetometer was operated during all periods of data acquisition and recorded readings every two seconds.

Jim Wright was engaged to provide advice and interpretation for the gravity and ground magnetics survey. The survey area was laid out to extend beyond the initial 14 claims to provide sufficient data to identify major geologic features. Wright's interpretation is as follows (Wright, 2017):

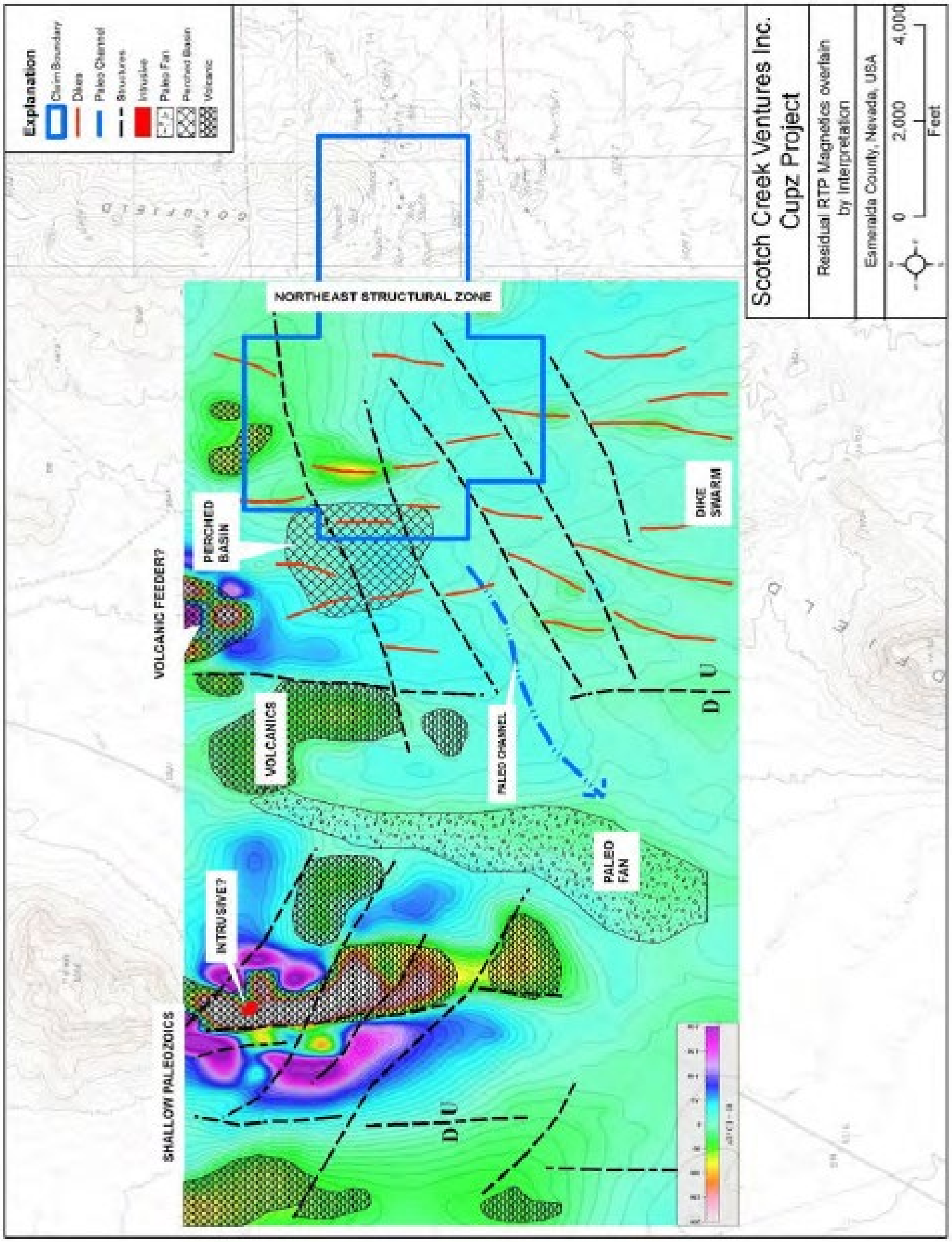
> *The gravity clearly reveals the survey spans the southwest margin of a major Paleozoic block extending to the northeast and southwest. A major north-south normal fault, extending directly through the survey area, forms the west edge of the Paleozoic block. To the west of this fault is a basin filled with a considerable amount of low density basin fill. The magnetics, as would be expected, are relatively subdued over the Paleozoic sediments. Volcanic units produce strong magnetic features along the northwest edge of the coverage. More interesting are a series of faint linear highs trending north-south within the subdued response in the east part of the survey.*
>
> *Several major interpretive elements are depicted on the images with lines and hatched polygons. Some are derived primarily from the magnetics while others primarily from the gravity. These features include highly magnetic volcanics, north-south dike swarm, numerous structures, paleo channel and paleo fan. Also interpreted is a small perched basin which sits atop the Paleozoic bedrock.*
>
> *The volcanic units are mapped as welded and non-welded tuffs with a tabular geometry. That is, sitting directly on the Paleozoic bedrock or, in some cases, suspended in basin fill. A possible source feeder is interpreted along the north margin of the survey and associated with a complex magnetic pattern suggestive of a central feeder rimmed by tuffs. The central feeder is interpreted as reversely magnetized as opposed to the tuffs, which are normally magnetized.*
>
> *A swarm of north-south dikes covers the eastern portion of the survey. The dikes are cutting Paleozoic rocks east of the aforementioned major north-south basement bounding structure. The dikes are offset by a series of northeast directed structures, which predominantly offset the dikes in an apparent left lateral fashion. These structures traverse the property and extend to the southwest to cut the major north-south structure. At this point the down to the west offset of the major structure disappears and is replace with a paleo channel draining to the west from Paleozoic rocks down into the deep basin. In fact, the paleo channel may well have drained the small perched basin defined by the gravity. This band of structures is termed the Northeast Structural Zone and is open to the northeast but terminated by the north-south basin bounding structure.*
>
> *Magnetic variations west of the north-south structure are dominated by patches of volcanics rock and weaker responses from sediments filling the basin. A paleo fan deposit extends from a magnetic source area north of the property and widens to the south into the basin.*
>
> *Strong magnetic highs with flanking lows in the northwest corner of the coverage are produced by flat lying tuffs facetted by structures along the margins and cut by a series of northwest directed structures. West of the magnetic high is a gravity high interpreted to be a horst block of Paleozoic basement bounded by north-south structures to either side.*

The interpreted intrusion located in the northwest corner of the survey coverage and identified with a red polygon correlates with a gravity low, as well as a low embayment in the overall magnetic high. An examination of the National Agriculture Inventory Program (NAIP) air photo reveals an unusual texture to the outcropping rocks at this locale. The texture is similar to spalling granite, thus the intrusive interpretation. Mesozoic granodiorite would be the anticipated lithology, which is designated as Mzgr by Stewart and Carlson (1978).

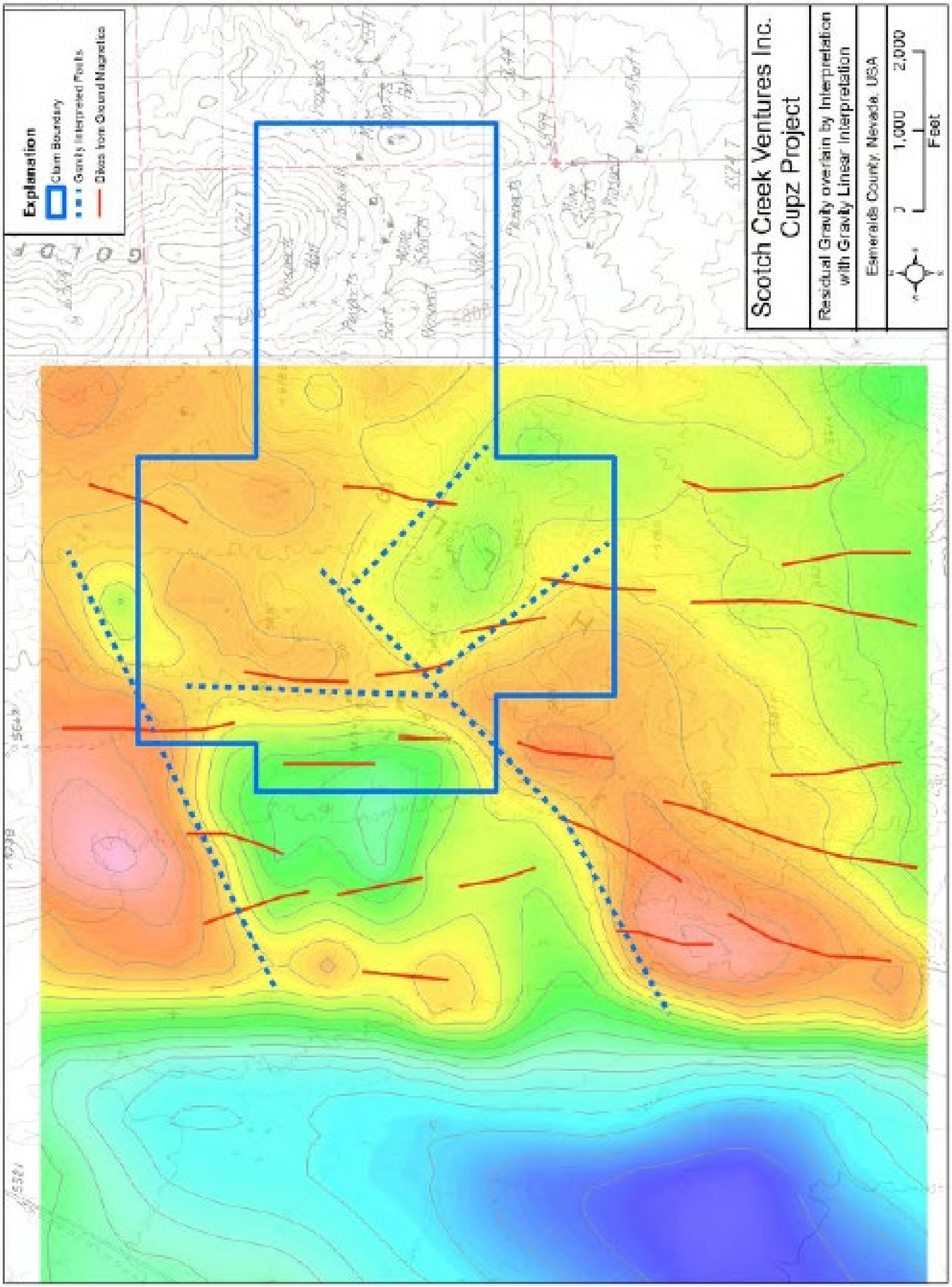
Applying the simple Bouguer slab model to the perched basin yields a basinfill thickness of approximately 100 m. Application of the same model to the major north-south structure estimates a 130 m down to the west offset. Of course, this estimate varies along the 3.5 kilometer length of the structure. Bouguer slab estimates are very simplistic and should only be viewed as a general guide.

Detailed geologic mapping provided a good geologic basis from which to refine Wright's interpretation. Distinct offsets mapped in the field were similar to those noted by Wright. Dike swarms reflected in the ground magnetics were not observed on the surface. It is possible they do not reach the current erosion surface or weather recessively and are covered by colluvium. Results from the proposed soil sampling may highlight the dike swarms.

Cupz Project: RTP Magnetics and interpretation



Cupz Project: Combined Magnetic and Gravity interpretation



Geochemical Exploration

There were 72 rock samples taken on the Cupz Property. The rock samples were primarily collected from old dumps, adits, and prospects. Samples were analyzed by Bureau Veritas Minerals using a 30-gram fire assay with AAS finish for gold and ICP-MS analysis (4- acid digestion) for all other elements. Multiple certified reference standards were included with every submittal. The results were within acceptable ranges. Gold in rocks ranged from less than detection (<0.005 ppm) to 3.87 ppm. Gold values greater than 0.50 ppm were all associated with the three major fault trends near mafic/lamprophyre or felsic dikes.

The highest gold values (3.9, 3.6, 2.2, and 1.4 ppm Au) on the property occur on the west side of the Cupz Property within the north-south fault zone.

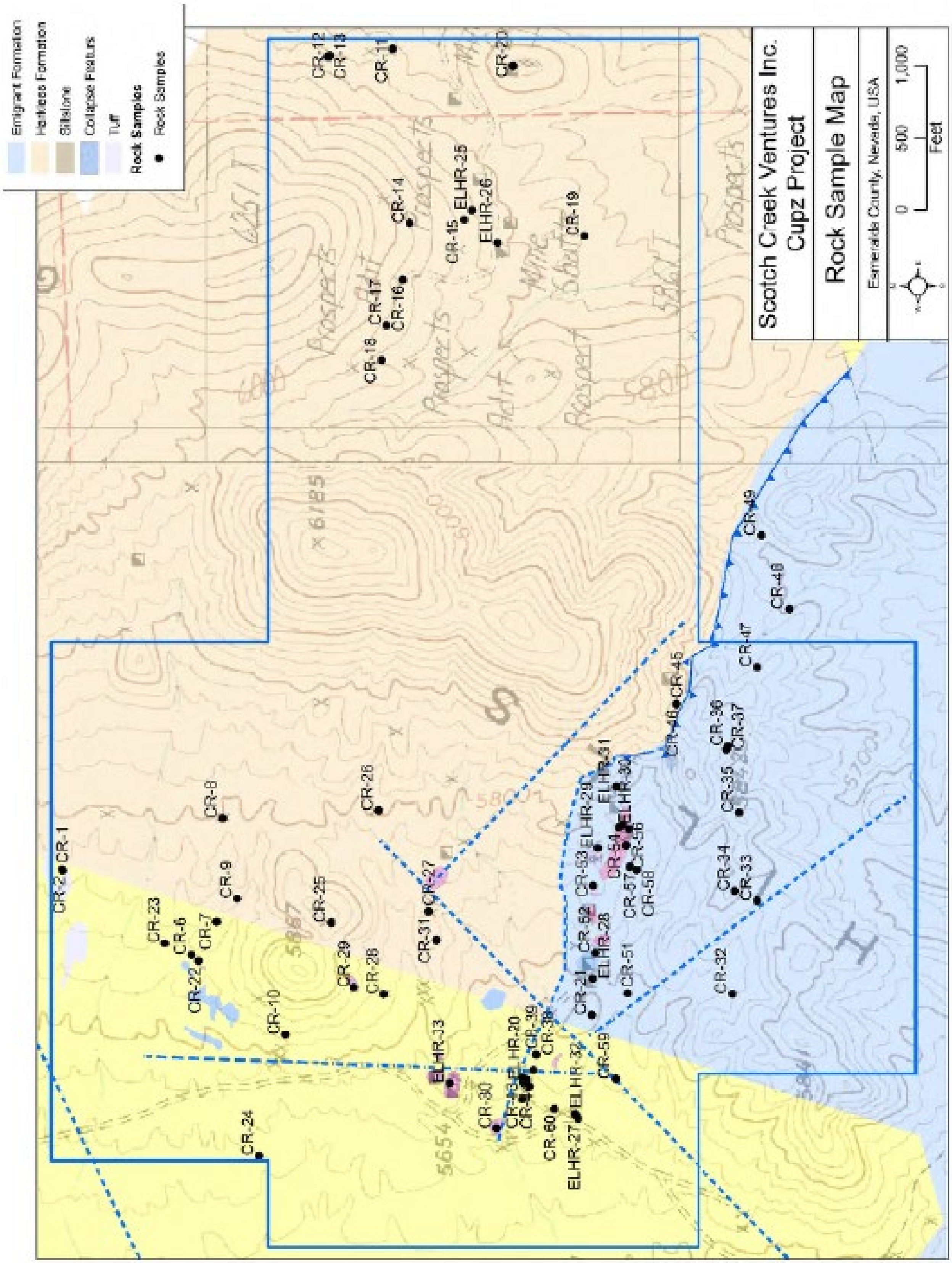
- Samples along the WNW/ESE fault had high gold values of 1.80 and 0.68 ppm.
- The north-northeast fault zone had a high gold value of 0.92 ppm.

Copper in rocks ranged from less than detection (<0.1 ppm) to greater than 10%. The copper mineralization is more widespread. High copper values (2.7%, 2.1%, 1.6% and 0.7%) are often associated with high gold values. The central area of the Cupz Property has numerous copper values greater than one percent (1.2%, 1.6%, 2.4%, 3.8%, 4.4%, and 6.4%) including one sample with greater than 10% Cu. These values appear to have an association with the gossan/skarn alteration. The numerous high copper values suggest multiple strong and pervasive mineralizing events at the Cupz Property.

Silver in rocks ranged from less than detection (<0.1 ppm) to 195.1 ppm. The highest silver values on the project are on the eastern side of the Cupz Property (47.1, 56.5, 71.0, 127.5, and 195.1 ppm Ag). These silver values are not generally associated with the highest gold values.

Lead in rocks ranged from less than detection (<0.1 ppm) to 8.15%. Zinc in rocks ranged from less than detection (<1 ppm) to 1.84%. Lead and zinc values are highest on the eastern side of the property. The high lead and zinc values are also associated with the higher silver values. The higher lead and zinc occur in gossan zones, commonly in the Emigrant Limestone.

Cupz Project: Rock Chip Sample Locations



Drilling

Although there is evidence of a few drill sites on the Cupz Property, when they were drilled, by whom, or with what results is unknown. It may be possible to retrieve basic information about the project operator from the BLM and then attempt to track down the down the company or people involved to recover the information. Given the minimal cost involved, it may be worth trying to find the data, but it is also an effort with a low probability of success.

Sampling Preparation, Analysis and Security

The rock chip samples were collected by the Hunsaker Inc. geologist while she was mapping the Cupz Property. After collection by the Hunsaker Inc. geologist, samples were kept in a locked vehicle or office until they were delivered to the Bureau Veritas (BV) preparation laboratory in Elko or Sparks, Nevada.

Samples were crushed and pulverized at the BV preparation facilities in Elko and Reno, Nevada. Pulped samples were analyzed at the BV lab in Sparks, Nevada (fire assay) and Vancouver, BC (ICP). Gold was run using fire assay with an Atomic Absorption finish, trace elements were run using a four acid (HNO3, HCl, HCl04, HF) digestion and Inductively Coupled Plasma Mass Spectrometry (ICP-MS). Quality control samples showed excellent agreement between duplicate samples and accepted values for standards.

Sample security, preparation, and analysis were all performed to industry standards. The analytical and sample preparation laboratories are respected commercial facilities and ISO certified. The analytical methods and detection levels were adequate for the purpose of this program.

Mineral Resource and Mineral Reserve Estimates

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

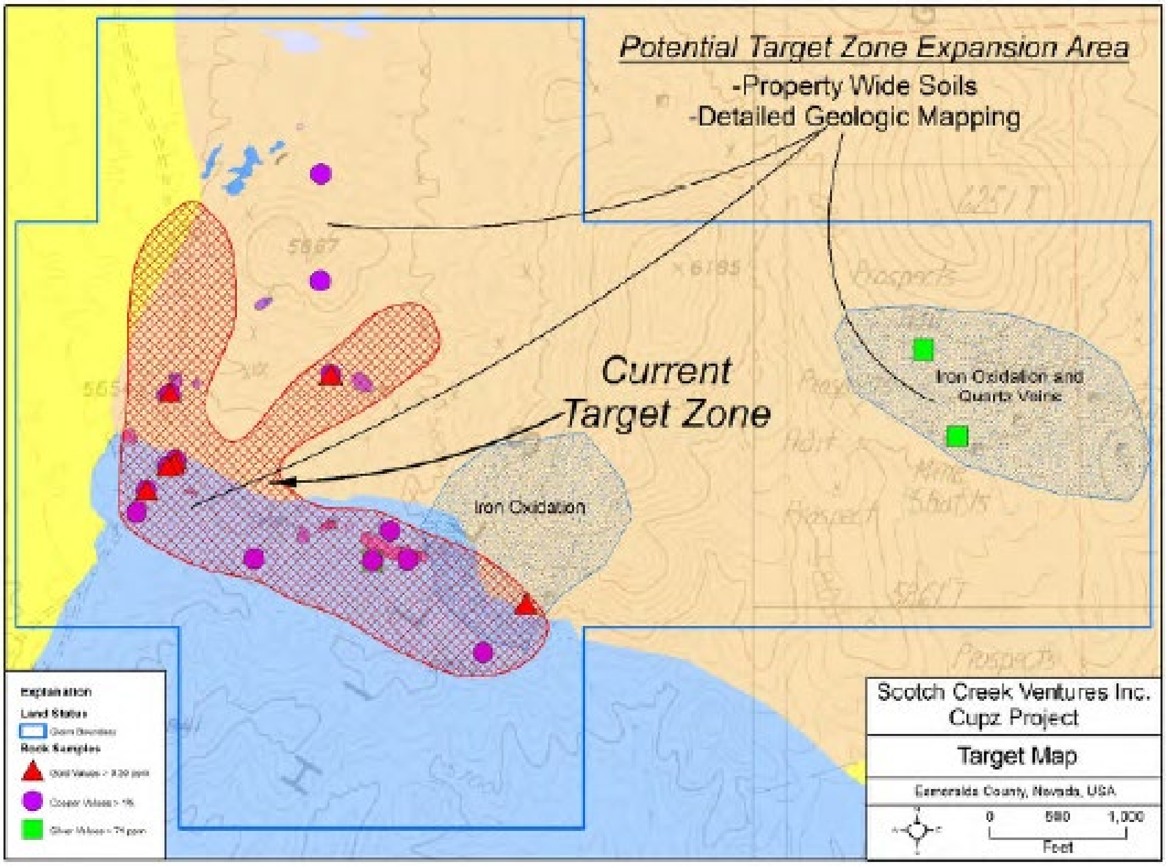
Interpretation and Conclusions

The structure and lithology at the Cupz Property could provide a potential setting for a significant gold deposit. The work done so far has outlined anomalous gold (up to 3.87 ppm gold) and copper (>10% Cu) zones that warrant further work. Obvious drill targets are emerging and a property wide soil program with additional rock sampling and detailed geologic mapping will refine drill hole locations and expand the current target zones. Thus, the Cupz Property is an early stage property of merit.

The north-south, north-northeast, WNW/ESE fault trends and the dikes which likely are controlled by these faults are the current target zones. The highest gold values (3.9, 3.6, 2.2, and 1.4 ppm Au) were all associated with these zones near mafic/lamprophyre or felsic dikes. The geochemistry at Cupz suggests two overlapping mineralizing events. The widespread gold and copper bearing event appears to occur in the southwest, predominantly associated with the felsic dikes but sometimes related to the mafic/lamprophyre dikes. A base metal dominant (Cu, Pb, Zn, plus Ag) event postdates the felsic dikes. Further work is needed to evaluate the apparent zonation.

The gravity data corresponds to the targeted structural/dike zones. The magnetics show multiple intrusive bodies that were not mapped, however, a soils program could better define these zones.

Target Areas



Recommendations

The recommended exploration work at the Cupz Property is designed to cover the expanded property position and add an additional layer of information for drill targeting. Recommendations for continued work at the Cupz Property include additional geologic mapping, prospecting, and rock chip sampling on the new claims and a property wide soil sampling program. Mineralogical determinations using a PIMA™ or similar infrared spectrometry device would help with alteration mapping. In addition, the Company will drill two scout drill holes of about 500 feet each.

Cupz Proposed Exploration Program budget:

Cupz Proposed Exploration Program Budget ($CDN)					
Soil Survey, Geology	Item	Count	Unit	Price	Cost
	Geologist	10	days	633	6,330
	Field costs	10	days	177	1,770
	Vehicle miles	1340	miles	0.8	1,080
	US Claim rental (2018-2019 year)	39	each	196	7,644
	State Fees	39	each	28	1,092
	Soil Sampling	445	each	23	10,235
	Soil Assays (with QA/QC)	470	each	43	20,210
	Rock Assays	25	each	43	1,075
				Total	$49,436
Drilling					
	Item	Count	Unit	Price	Cost
	Geologist	8	days	633	5,064
	Field costs	7	days	177	1,239

	Vehicle miles	718	miles	0.8	574
	Bonding	1	acres	3797	3,797
	Drilling	1000	Ft	43	43,000
	Drill sites and reclaim	2	each	3165	6,330
	Assays w/QC samples	220	each	48	10,560
				Total	$70,564
	Grand total costs $CDN		$120,000		

USE OF PROCEEDS

Funds Available

The net proceeds to be received by the Company from the minimum Offering, after deducting the balance of the estimated expenses of the Offering of approximately $57,000 and the Agent's Commission of $31,500, will be $261,500. The net proceeds to be received by the Company from the maximum Offering, after deducting the balance of the estimated expenses of the Offering of approximately $57,000 and the Agent's Commission of $36,000, will be $307,000. As at October 31, 2018, the Company had a working capital deficit of $22,039. Accordingly, the Company anticipates having minimum available funds of approximately $239,461 and maximum available funds of approximately $284,961 following Closing of the minimum Offering and the maximum Offering respectively. The estimated costs of the Offering include, the Corporate Finance Fee, legal and audit fees and other expenses of the Company, the Agent's expenses including its legal fees, the listing fee payable to the Exchange and the filing fees payable to the BCSC & ASC.

Principal Purposes

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

	Minimum Offering Amount ($)	Maximum Offering Amount ($)
Estimated BLM Filing Fees	9,000	9,000
Recommended exploration program on the Cupz Property	120,000	120,000
Estimated general and administrative expenses for the 12 months following the Offering	94,700	94,700
Unallocated Working Capital to fund ongoing operations	15,761	61,261
Total	239,461	284,961

The Company expects to incur approximately $94,700 in general and administrative costs on an annual basis to cover the expenses of operating as a public company over the next 12 months. A breakdown of the estimated general and administrative costs for that period is as follows:

	Monthly Amount ($)	Annual Amount ($)
Audit and Accounting Expenses	666.67	8,000
Legal Expenses	500.00	6,000
Management Fees	6,000.00	72,000
Regulatory Filing Fees	625.00	7,500
Office Expenses	100.00	1,200
Total	7,891.67	94,700

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

Over the next twelve months, net proceeds from the Offering will be distributed to insiders as follows:

- David K. Ryan, Chief Executive Officer, President and a Director of the Company will receive management fees of $30,000;

- Logan B. Anderson, Chief Financial Officer, Secretary and a Director of the Company will receive management fees of $30,000;

- Donald W. Archibald a Director of the Company will receive Director's fees of $500 per month; and

- Bernie Hoing, a Director of the Company will receive Director's fees of $500 per month.

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

Negative Operating Cash Flow

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

Business Objectives and Milestones

The business objectives the Company expects to achieve using the available funds are to: (i) complete the Offering; (ii) obtain a listing of the Common Shares on the Exchange; and (iii) complete the exploration program recommended in the Technical Report. The Company expects to commence the exploration program immediately following listing and the Company believes it will take six to twelve months to complete the exploration program and analyze the results.

The Company's business objectives of completing the Offering and listing on the Exchange will occur on the Closing date of the Offering and the Listing Date. The cost of covering administrative costs for the first 12 months following listing is estimated at $94,700. The cost of completing the recommended work program is estimated at $120,000. It is possible that it will take more than 12 months for the Company to complete and analyze the recommended exploration program.

DIVIDENDS

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following tables set forth selected financial information with respect to the Company's audited financial statements for the period from inception on January 9, 2017 to December 31, 2017 and the six month period ended June 30, 2018. The selected financial information has been derived, except where indicated from the audited financial statements for the period of inception on January 9, 2017 to December 31, 2017 and the unaudited financial statements for the six month period ended June 30, 2018. The following should be read in conjunction with the said financial statements.

Selected Financial Information

	Six Month Period Ended June 30, 2018 (Unaudited) ($)	Period from inception on January 9, 2017 to December 31, 2017 (Audited) ($)
Continuing operations		
Revenue	-	-
Expenses	52,575	107,242
Net loss	(52,575)	(107,242)
Basic and Diluted loss per share	(0.00)	(0.04)(1)

Note:
(1) Based on the weighted average of 2,814,608 common shares issued and outstanding for the period ended December 31, 2017.

Statement of Financial Position	As at June 30, 2018 (Unaudited) ($)	As at December 31, 2018 (Audited) ($)
Assets		
Current assets	24,854	43,759
Exploration and Evaluation Assets	108,548	108,548
Total Assets	133,402	152,307
Liabilities		
Current liabilities	32,319	18,649
Promissory Note	20,000	-
Shareholders' Equity	81,083	133,658
Total Liabilities and Shareholders' Equity	133,402	152,307

Overview

This management discussion and analysis ("MD&A") of results, operations and financial condition of the Company, describes the operating and financial results of the Company for the period from inception on January 9, 2017 to December 31, 2017 and the six month period ended June 30, 2018. This MD&A supplements, but does not form part of, the audited financial statements of the Company, and should be read in conjunction with the Company's audited financial statements and related notes for the period from inception on January 9, 2017 to December 31, 2017 and the unaudited financial statements and related notes for the six month period ended June 30, 2018. The Company prepares and files its financial statements in accordance with IFRS. The currency referred to in this MD&A is in Canadian Dollars.

Overall Performance

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

During the period from the date of inception on January 9, 2017 to June 30, 2018, the Company's activities included the acquisition of the Cupz Property, initial exploration activities on the Cupz Property and activities related to the Offering. See "Business of the Company – Three Year History" and "Cupz Property".

Results of Operation

Period from the date of inception on January 9, 2017 to December 31, 2017

The Company reported a net loss of $107,242, during the period from the date of inception on January 9, 2017 to December 31, 2017. The main factors that contributed to the loss in fiscal 2017 were bank and interest charges of $286, directors' fees of $12,000, management fees of $50,000, office expenses of $981, professional fees of $33,735, rental fees of $1,000, exploration costs of $500 and travel of $8,740.

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

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

Travel expenses relate to travel expenses incurred by management.

During the period from the date of inception on January 9, 2017 to December 31, 2017, the Company completed the following equity financings: (i) issuance of one (1) Common Share on incorporation (ii) the sale of 3,000,000 units at a price of $0.005 per unit, with each unit consisting of one Common Share and one share purchase warrant exercisable at a price of $0.005 per Common Share (increasing to $0.10 per Common Share on such date that the Company is listed on the public stock exchange) for a period of two years from the date of issuance for total proceeds of $15,000; and (iii) the sale of 7,529,999 Common Shares at a price of $0.03 per Common Share for proceeds of $225,900.

Six month period ended June 30, 2018

The Company reported a net loss of $52,575, during the six month period ended June 30, 2018. The main factors that contributed to the loss during the six months ended June 30, 2018 were management fees of $30,000, directors' fees of $6,000, professional fees of $13,700, office and miscellaneous of $1,000, travel cost of $1,788 and bank charges and interest of $87.

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

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

Travel expenses relate to travel expenses incurred by management.

During the period from December 31, 2017 to June 30, 2018, the Company did not complete any equity financings.

<u>Liquidity and Capital Resources</u>

The Company reported working capital surplus of $25,110 and cash on hand of $41,131 at December 31, 2017 and a working capital deficiency of $7,465 and cash on hand of $20,795 at June 30, 2018.

On May 23, 2018, the Company issued a promissory note in the amount of $20,000 with 10% interest compounding annually payable on or before May 23, 2020. On June 28, 2018, the Company entered into two loan agreements and issued related promissory notes, one for $20,000 and another for $15,000 (the "Convertible Loans"). Both of these notes, along with 10% interest compounding annually, are payable on or before December 28, 2019. Any portion or all of each Convertible Loan may be converted into Common Shares, at a deemed price of $0.12 per Common Share at any time. All of these promissory notes were issued to non-related parties.

The Company anticipates having $239,461 in available funds upon completion of the minimum Offering and $284,961 in available funds upon completion of the maximum Offering. The Company estimates that the capital required to carry out the recommended exploration program on the Cupz Property is $120,000. In addition, the Company also anticipates that it will be required to incur approximately $94,700 in general and administrative expenses. After giving effect to these allocations, the Company anticipates it will have $15,761 in unallocated working capital upon completion of the minimum Offering and $61,261 in unallocated working capital upon completion of the maximum Offering. The Company does not anticipate incurring any other material capital expenditures.

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

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

Period from the date of inception on January 9, 2017 to December 31, 2017

During the period from inception on January 9, 2017 to December 31, 2017, David Ryan, the Company’s Chief Executive Officer, President and Director, received $25,000 in management fees.

During the period from inception on January 9, 2017 to December 31, 2017, Logan Anderson, the Company’s Chief Financial Officer, Secretary and Director, received $25,000 in management fees.

During the period from inception on January 9, 2017 to December 31, 2017, Bernie Hoing, a director of the Company, received $6,000 in director fees.

During the period from inception on January 9, 2017 to December 31, 2017, Donald W. Archibald, a director of the Company, received $6,000 in director fees.

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

Six month period Ended June 30, 2018

During the six month period ended June 30, 2018, David Ryan, the Company’s Chief Executive Officer, President and Director, received $15,000 (2017 - $10,000) in management fees.

During the six month period ended June 30, 2018, Logan Anderson, the Company’s Chief Financial Officer, Secretary and Director, received $15,000 (2017 - $10,000) in management fees.

During the six month period ended June 30, 2018, the Company accrued directors’ fees of $3,000 to each of Don Archibald and Bernie Hoing, the independent directors. As at June 30, 2018, a total of $10,000 was owing to these directors.

Changes in Accounting Policies

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

IFRS 16, Leases

In January 2016, the IASB issued IFRS 16 Leases which replaces the previous leases standard, IAS 17 Leases. IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Lessors continue to classify leases as operating leases or finance leases, and account for those two types of leases differently. IFRS 16 is effective for periods beginning on or after January 1, 2019.

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

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

Financial Instruments

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

Summary of Quarterly Results

Since inception, the Company has not prepared quarterly interim financial statements. As a result, the Company is unable to provide a summary or the quarterly results from the date of inception on January 9, 2017 to December 31, 2017.

Additional Disclosure for Venture Issuers without Significant Revenue

The following table sets out a breakdown of all material components of certain costs to the Company for the period from inception on January 9, 2017 to December 31, 2017 and the six month period ended June 30, 2018.

Mineral Properties – Exploration and Evaluation

The following tables set out the total deferred exploration costs recorded by the Company for the Cupz Property as at December 31, 2017 and June 30, 2018:

		As at June 30, 2018 (Unaudited)		**As at December 31, 2017 (Audited)**
Balance, beginning of period	**$**	**108,548**	**$**	**-**
Acquisition Costs				
Cash		-		25,485
Total Acquisition Costs		-		25,485
Deferred Exploration Costs				
Sampling		-		3,723
Field Reports		-		6,370
Geophysics		-		39,806
Assays		-		3,147
Mapping		-		23,043
43-101 Report		-		6,974
Total Deferred Exploration Costs		-		83,063
Balance, end of period	**$**	**108,548**	**$**	**108,548**

General and Administrative Expenses

The following tables set out the general and administrative expenses of the Company for the period from inception on January 9, 2017 to December 31, 2017 and the six month period ended June 30, 2018:

Item		Six month period ended June 30, 2018 (Unaudited)		Period from Inception on January 9, 2017 to December 31, 2017 (Audited)
Bank and interest charges	$	87	$	286
Directors fees		6,000		12,000
Management fees		30,000		50,000
Office and miscellaneous		1,000		981
Professional fees		13,700		33,735
Rent		-		1,000
Exploration Costs		-		500
Travel		1,788		8,740
Total	**$**	**52,575**	**$**	**107,242**

Additional Disclosure for Junior Issuers

As set out in the section titled “Use of Proceeds”, if the minimum Offering is completed the Company anticipates having general working capital of $15,761 following completion of the recommended exploration program and after meeting the budgeted administrative costs for the next 12 months of $94,700. If the maximum Offering is completed the Company anticipates having general working capital of $61,261 following completion of the recommended exploration program and after meeting the budgeted administrative costs for the next 12 months of $94,700. Other than as disclosed in this prospectus, the Company does not anticipate incurring any other material capital expenditures.

Assuming that the Company has expended its exploration expenses in accordance with the recommended exploration program of the Qualified Person on the Cupz Property, the Company will have achieved one of its material stated business objectives which is completing the recommended exploration program on the Cupz Property.

If the results on the Cupz Property warrant the Company incurring exploration expenditures in addition to the recommended exploration program, the Company will be required to raise additional funding to carry out additional exploration programs on its Cupz Property. In addition, should the opportunity to acquire other mineral exploration properties be presented to the Company, whether located in North America or elsewhere, then the Company would have to determine the appropriate method of acquiring those properties. In the event that Common Shares could not be used to acquire the said properties, then the Company will have to look to raise further capital. See "Risk Factors".

Disclosure of Outstanding Security Data

The Company has one class of shares outstanding, being Common Shares. As of the date of this prospectus, 10,530,000 Common Shares were issued and outstanding. The Company also has 3,000,000 common share purchase warrants (the “Founders Warrants”) outstanding, each Founders Warrant exercisable to purchase one Common Share at a price of $0.005 per Common Share (increasing to $0.10 on such date that the Company is listed on a public stock exchange) until January 31, 2019. See “Description of the Securities Distributed”.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Authorized Capital

The authorized capital of the Company consists of an unlimited amount of Common Shares, of which 10,530,000 Common Shares are issued and outstanding as at the date of this prospectus, and an unlimited number of preferred shares, of which none are issued and outstanding as of the date of this prospectus.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board of Directors of the Company may by resolution determine. The Board of Directions of the Company, may at any time declare and authorize the payment of such dividends exclusively to the registered holders of the common shares without declaring any corresponding dividends to the registered holders of the preferred shares. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Preferred Shares

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

Agent's Warrants

The Company has agreed to grant to the Agent non-transferable common share purchase warrants (previously defined as the "Agent's Warrants") exercisable to acquire that number of Common Shares equal to 9% of the number of Common Shares sold pursuant to this Offering, each Agent's Warrant exercisable to purchase one Common Share at the price of $0.12 per Common Share for a period 24 months from the Listing Date. The Agent's Warrants will be qualified under this prospectus. See "Plan of Distribution".

On June 28, 2018 the Company entered into the Convertible Loans. Both of these Convertible Loans, along with 10% interest compounding annually, are payable on or before December 28, 2019. Any portion or all of each Convertible Loan may be converted into Common Shares, at a deemed price of $0.12 per Common Share at any time. All Convertible Loans were provided by non-related parties.

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Company's capitalization as at December 31, 2017, as at June 30, 2018, as of the date of this prospectus, and following completion of the Offering:

	December 31, 2017	June 30, 2018	As at the date hereof	After giving effect to the minimum Offering	After giving effect to the maximum Offering
Common Shares	$240,900	$240,900	$240,900	$590,900	$640,900

	(10,530,000 Common Shares)	(10,530,000 Common Shares)	(10,530,000 Common Shares)	(13,446,666 Common Shares)	(13,863,333 Common Shares)
Agent's Warrants	Nil	Nil	Nil	262,500	300,000
Options	Nil	Nil	Nil	Nil	Nil
Warrants	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Long Term Liabilities	Nil	$20,000	$20,000	$20,000	$20,000
Convertible Loans(1)	Nil	Nil	$35,000	$35,000	$35,000

Notes:

(1) These Convertible Loans if converted, will be converted into approximately 291,666 Common Shares before calculation of any interest.

OPTIONS TO PURCHASE SECURITIES

The Directors of the Company adopted a stock option plan on May 30, 2018 (the "Stock Option Plan"). The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs. The Stock Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance will be 10% of the number of the Company's Common Shares issued and outstanding at the time such options are granted. The Stock Option Plan will be administered by the Company's Board of Directors, which will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such directors, officers, employees, management or consultants of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise price of option grants will be determined by the Board of Directors, but after listing on the Exchange will be the greater of the closing market price of the Common Shares on the Exchange on the trading day prior to the date of the grant of the option and the date of the grant. The Stock Option Plan provides that the number of Common Shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares, if the individual is a director, officer, employee or consultant, or 1% of the issued Common Shares, if the individual is engaged in providing investor relations services, in a twelve month basis, unless disinterested shareholder approval is obtained. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 30 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Options Granted

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

PRIOR SALES

Since inception on January 9, 2017, the Company has completed the following distributions of its securities:

(a) On January 9, 2017, the Company issued one Common Share at a price of $0.01 per share, which Common Share is escrowed in accordance with the terms of the Escrow Agreement.

(b) On January 31, 2017, the Company issued 3,000,000 units at a price of $0.005 per unit for total proceeds of $15,000. Each unit is comprised of one Common Share and one Founders Warrant, each Founders Warrant exercisable to purchase a Common Share at a price of $0.005 per Common Share (increasing to $0.10 per Common Share on such date that the Company is listed on a public stock exchange), for a period of two years from the date of issuance. All 3,000,000 Common Shares and 3,000,000 Founders Warrants will be escrowed in accordance with the terms of the Escrow Agreement.

(c) On December 31, 2017, the Company issued 7,529,999 Common Shares at a price of $0.03 per share for total proceeds of $225,900. 700,000 of these shares will be escrowed in accordance with the terms of the Escrow Agreement.

ESCROWED SECURITIES

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

The following securities of the Company (the "Escrowed Securities") are held by, and are subject to the terms of an escrow agreement (the "Escrow Agreement") dated November 13, 2018, among the Company, National Issuer Services Ltd., as escrow agent, and the holders of the Escrowed Securities, being David Ryan, Logan Anderson, Bernie Hoing and Don Archibald (the "Escrowed Securityholders"):

Designation of Class	**Number of Securities**	**Percentage of Class of Securities Prior to Completion of the Offering**	**Percentage of Issued Class of Securities on Completion of the minimum Offering**	**Percentage of Issued Class of Securities on Completion of the maximum Offering**
Common Shares	3,700,001(1)	35.14%	27.52%	26.69%
Founders Warrants	3,000,000	100%	100%	100%
Total (Diluted)	6,700,001(1)	48.5%(1)	39.41%(2)	38.38%(2)

Notes:

(1) Calculated based on 13,530,000 Common Shares outstanding, which assumes the 3,000,000 Founders' Warrants are exercised as the date hereof.
(2) Assuming a total of 17,000,832 Common Shares outstanding on completion of the minimum Offering and a total of 17,454,999 Common Shares outstanding on completion of the maximum Offering, such figures assuming that the Agent's Warrants and Founders' Warrants are exercised, and Convertible Loans are converted on completion of the Offering.

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

On the Listing Date	1/10 of the escrow securities
6 months after the Listing Date	1/6 of the remaining escrow securities
12 months after the Listing Date	1/5 of the remaining escrow securities
18 months after the Listing Date	1/4 of the remaining escrow securities
24 months after the Listing Date	1/3 of the remaining escrow securities
30 months after the Listing Date	1/2 of the remaining escrow securities
36 months after the Listing Date	the remaining escrow securities

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

Under NP 46-201, a "principal" is: (a) a person who has acted as a promoter of the Company within two years of the date of this prospectus; (b) a director or senior officer of the Company at the time of this prospectus; (c) a person that holds securities carrying more than 20% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's initial public offering; and (d) a person that: (i) holds securities carrying more than 10% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's initial public offering; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company. A principal's spouse and their relatives that live at the same address as the principal will be deemed principals and any securities of the Company held by such a person will be subject to the escrow requirements.

The automatic time release provisions under NP 46-201 pertaining to "established issuers" provide that 25% of each principal's escrowed securities are released on the Listing Date, with an additional 25% being released in equal tranches at six month intervals over 18 months. If, within 18 months of the Listing Date, the Company meets the "established issuer" criteria, as set out in NP 46-201, the Escrowed Securities will be eligible for accelerated release according to the criteria for established issuers. In such a scenario that number of Escrowed Securities that would have been eligible for release from escrow if the Company had been an "established issuer" on the Listing Date will be immediately released from escrow. The remaining Escrowed Securities would be released in accordance with the time release provisions for established issuers, with all escrow securities being released 18 months from the Listing Date.

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

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

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

Under the terms of the Escrow Agreement, 10% of each escrowed shareholder's shares (a total of 370,000 Common Shares and 300,000 Founders Warrants) will be released from escrow on the Listing Date. The remaining 3,330,001 Common Shares and 2,700,000 Founders Warrants will be held in escrow immediately following the Listing Date and released pursuant to the schedule set out above.

PRINCIPAL SECURITYHOLDERS

As at the date of this prospectus, 10,530,000 Common Shares were issued and outstanding. The following table lists the persons who own or will own, directly or indirectly, 10% or more of the issued and outstanding Common Shares:

Name	Number and Class of Securities Owned	Number and Class of Shares Owned After Offering	Type of Ownership	Percentage of Class Owned Prior to Giving Effect to the Offering	Percentage of Class Owned After Giving Effect to the Minimum Offering(1) (2)	Percentage of Class Owned After Giving Effect to the Maximum Offering(1) (2)
David Ryan	1,500,001 Common Shares (1,500,000 Founders Warrants)	1,500,001 Common Shares (1,500,000 Founders Warrants)	Direct	14.25%	11.16%	10.82%
Logan Anderson	1,500,000 Common Shares (1,500,000 Founders Warrants)	1,500,000 Common Shares (1,500,000 Founders Warrants)	Direct	14.25%	11.16%	10.82%

Notes:

(1) Assuming that no Common Shares are purchased by these persons under the Offering and assuming a total of 13,446,666 Common Shares outstanding on completion of the minimum Offering and a total of 13,863,333 Common Shares outstanding on completion of the maximum Offering and that no Agent's Warrants and Founders' Warrants are exercised and no Convertible Loans are converted.

(2) In the event that Mr. Ryan and Mr. Anderson exercise all of their founder warrants, they will each own 17.65% on completion of the minimum offering assuming there is a fully diluted issued and outstanding of 17,000,832 Common Shares, and 17.19% on completion of the maximum Offering, assuming fully-diluted issued and outstanding Common Shares of 17,454,999.

DIRECTORS AND EXECUTIVE OFFICERS

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

Name, Municipality of Residence and Age	Principal Occupations during past five years	Position with the Company	Director or Officer Since	Securities Held [3]	Percentage of Securities Held prior to completion of the Offering
David Ryan, 52, B.C., Canada. [1][2]	Self-employed consultant. Director of GlobeX Data Ltd. since March 2017; President, Secretary and Director of Midnight Star Ventures Inc. since April 2013. Director and VP Corporate Communications of Manado Gold Corp. since August 2010 and Chief Financial Officer since 2016.	Chief Executive Officer and Director President	January 2017 May, 2018	1,500,001 Common Shares	14.25%
Logan Anderson, 64, B.C., Canada	CFO, Secretary and Director of Aloro Mining Corp. since June 2004; CFO and Secretary of Ovation Science Inc. since October 2017. Director of Ovation Science Inc. since July 2017. Director of International Battery Metals Ltd. since May 2017; Principal and President of Amteck Financial Corp (and its predecessor Amteck Financial Services Company) a private consulting company since 1993.	Chief Financial Officer and Director Secretary	January 2017 May 2018	1,500,000 Common Shares	14.25%
Bernie Hoing, 54, B.C., Canada[1]	Director of Midnight Star Ventures Inc. since November 2014. Claim Manager, Home Warranty at Travelers Canada (July 2006 – Present).	Director	January 2017	50,000 Common Shares	0.47%
Donald W. Archibald, 75, B.C., Canada[1]	Insurance agent for Sussex Insurance since 2014 and prior to that an insurance agent with Archibald Clarke and Defieux Insurance Services.	Director	January 2017	650,000 Common Shares	6.17%
Total Securities				**3,700,001 Common Shares**	**35.14%**

Notes:

(1) Member of the Audit Committee.
(2) Chair of Audit Committee
(3) Ownership is direct unless otherwise indicated.

Term of Office

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

Biographical Information

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

David K. Ryan - *Age 52, President, Chief Executive Officer, Director and Promotor*

Mr. Ryan has extensive experience in investment and public markets. For the past 20 years, he has been part of bringing multiple initial public offerings to market. He has helped raise both equity and debt financings for numerous public companies in both primary and secondary financings as well as served on the board of public companies and in various roles from president to director.

Mr. Ryan has served as Vice President of Corporate Communications and as a Director of Manado Gold Corp., a mineral exploration company listed on the TSX-V, since August 2010 and has been the CFO of Manado Gold Corp since November 2016. Mr. Ryan was an executive officer of Yaterra Ventures Inc., a mineral resource company that was a reporting issuer in the United States and in British Columbia. From 1989 until 1995, Mr. Ryan was an investment advisor at Georgia Pacific Securities Vancouver.

Mr. Ryan will devote approximately 30% of his time to the Company or such greater amount of time as is necessary. Mr. Ryan has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Ryan is an independent contractor of the Company. Mr. Ryan will be responsible for the day to day affairs of the Company and will provide the services typical of a Chief Executive Officer and President of a junior exploration company.

Logan B. Anderson – *Age 64, Chief Financial Officer, Secretary, Director and Promotor*

Mr. Anderson provides considerable financial and management expertise to Scotch Creek Ventures Inc. He holds the designation of ACA with the Chartered Accountants (Australia and New Zealand). He began his career as an associate chartered accountant in New Zealand and then Canada. This was followed by his position as controller of a management services company which was responsible for the management of a number of private and publicly traded companies. Since 1993, Mr. Anderson has served as President of Amteck Management Inc., a private financial consulting services company servicing both private and public companies. Mr. Anderson is currently President / Director and on the audit committee of International Battery Metals Inc.; President, CEO and Director of Manado Gold Corp.; and the CFO, Secretary and Director of Aloro Mining Corp.

Mr. Anderson will be responsible for the accounting activities of the Company. Mr. Anderson will devote approximately 20% of his time to the Company or such greater amount of time as is necessary. Mr. Anderson has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Anderson is an independent contractor of the Company. Mr. Anderson will be responsible for the financial reporting of the Company and will provide the services typical of a Chief Financial Officer and Secretary of the junior exploration company.

Bernie Hoing - *Age 54, Director*

Mr. Hoing has been employed by Travelers Canada as Claim Manager from July 2006 to present. Mr. Hoing has served as a director of Midnight Star Ventures Inc. since November 2014. Mr. Hoing also served as President, Secretary, Treasurer and director of Pengram Corporation a company formerly quoted on the OTC Markets (formerly the OTC Bulletin Board) engaged in the acquisition and exploration of mineral properties from April 2006 to May 2008.

Mr. Hoing will devote approximately 15% of his time to the Company or such greater amount of time as is necessary. Mr. Hoing has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Hoing is an independent contractor of the Company. Mr Hoing's responsibilities will be those typical to an independent director of a junior exploration company.

Donald W. Archibald, - *Age 75, Director*

Mr. Archibald has served as a Director of Manado Gold Corp. since August 2010 and served as Chief Financial Officer and Corporate Secretary from June 2011 to November 2016. Mr. Archibald has been an insurance agent for Sussex Insurance since 2014. Mr. Archibald was a principal of Archibald Clark and Defieux Insurance Services, an insurance service provided with a number of locations throughout British Columbia from 2012 to 2014. Throughout the 1980s and 1990s, Mr. Archibald has previously served as a director or officer of a number of public mining companies.

Mr. Archibald will be responsible for the accounting activities of the Company and serve as a member of the audit committee. Mr. Archibald will devote approximately 15% of his time to the Company or such greater amount of time as is necessary. Mr. Archibald has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Archibald is an independent contractor of the Company. Mr. Archibald's responsibilities will be those typical to an independent director of a junior exploration company.

Cease Trade Orders

Other than as disclosed below, no director or executive officer of the Company, is or has been, within the ten years preceding the date of this prospectus, a director, chief executive officer or chief financial officer of any company that:

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

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

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

David K. Ryan was a director of Yaterra Ventures Corp. in January 2013 when it became subject to a cease trade order of the BCSC for failing to file financial statements as required by Multilateral Instrument 51-105. On April 24, 2014, Mr. Ryan resigned as director of Yaterra. The cease trade order is still in effect as of the date of this prospectus.

Bankruptcies

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

(a) a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets or made a proposal under any legislation relating to bankruptcies or insolvency; or

(b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

Penalties or Sanctions

Other than as set forth below, no director or executive officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has:

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

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

<u>Settlement Agreement with the British Columbia Securities Commission dated May 31, 1990</u>

On May 31, 1990, Mr. Archibald entered into a settlement agreement with the BCSC in connection with his serving as a director and officer of Stow Resources Ltd. The agreement related to the non-disclosure of certain drill holes that failed to locate mineralization. Under the terms of the settlement agreement, Mr. Archibald agreed to not act as a director or officer of any reporting issuer, except those specified in the agreement, for a period of one year, pay a fine of $5,000 and undertake to complete a course relating to the duties and liabilities of directors and officers.

Settlement Agreement with the British Columbia Securities Commission dated January 5, 2000

On January 5, 2000, Mr. Archibald entered into a settlement agreement with the BCSC in connection with his purchase of special warrants from Consolidated Granby Resources Ltd., a company that was listed on the Vancouver Stock Exchange. Under the terms of the settlement agreement, Mr. Archibald acknowledges that he subscribed for 147,500 special warrants of which 35,000 special warrants were held by him and the balance of 112,500 special warrants were distributed to persons not exempt from the prospectus requirements. In addition, Mr. Archibald agreed to pay a fine of $5,000 to the BCSC and to comply with the Securities Act and rules.

Personal Bankruptcies

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

Conflicts of Interest

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

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

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company's executive compensation program during the most recently completed financial year ended December 31, 2017 was administered by the Company's Board of Directors. The Board of Directors was solely responsible for determining the compensation to be paid to the Company's executive officers and evaluating their performance. The Board of Directors has not adopted any specific policies or objective for determining the amount or extent of compensation for directors or officers.

Significant Elements

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

Cash Salary

The Company's compensation payable to the Named Executive Officers is based upon, among other things, the responsibility, skills and experience required to carry out the functions of each position held by each Named Executive Officer and varies with the amount of time spent by each Named Executive Officer in carrying out his or her functions on behalf of the Company.

In particular the Chief Executive Officer's compensation will be determined by time spent on: (i) the Company's current mineral property; (ii) reviewing potential mineral properties that the Company may acquire and negotiating, on behalf of the Company; and

(iii) new business ventures. The Chief Financial Officer's compensation is primarily determined by time spent in reviewing the Company's financial statements.

Stock Options

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

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

Employment and Consulting Agreements

The Company has not entered into written employment or consulting agreements with its Chief Executive Officer and its Chief Financial Officer. The Company has agreed to pay its Chief Executive Officer a total of $2,500 per month and its Chief Financial Officer a total of $2,500 per month. In addition, the Company has agreed to pay each of its directors $500 per month commencing on their respective dates of appointment.

Summary Compensation Table

The following table sets forth information about compensation paid to, or earned by, the Company's Named Executive Officers during the period from Inception to December 31, 2017.

Name and Principal Position	Year	Salary ($)	Share Based Awards ($)	Option Based Awards ($)	Non Equity Incentive Plan Compensation ($)		Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
					Annual Incentive Plans	Long Term Incentive Plans ($)			
David Ryan President & Chief Executive Officer	2017	25,000	NIL	NIL	NIL	NIL	NIL	NIL	25,000
Logan Anderson Chief Financial Officer & Secretary	2017	25,000	NIL	NIL	NIL	NIL	NIL	NIL	25,000

Incentive Plan Awards

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

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

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

Director Compensation

The following table sets forth the compensation paid to the Company's Directors for the period from inception to December 31, 2017.

Name	Fees Earned ($)	Share-based awards ($)	Option-based Awards ($)	Non-Equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
Bernie Hoing	6,000	NIL	NIL	NIL	NIL	NIL	6,000
Donald Archibald	6,000	NIL	NIL	NIL	NIL	NIL	6,000

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

Termination and Change of Control Benefits

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

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not as of the date of this prospectus, nor has there been since inception on January 9, 2017, any indebtedness of any Director, executive officer, senior officer, employee or any former director, executive officer, employee or senior officer or any associate of any of them, to or guaranteed or supported by the Company either pursuant to an employee stock purchase program of the Company or otherwise, and no such individual is or has been indebted to any other entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit, or similar arrangement or understanding by the Company.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

Audit Committee Charter

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

On May 30, 2018, the Board of Directors adopted a charter delineating the Audit Committee's responsibilities. The Audit Committee Charter is attached to this prospectus as Schedule "A".

Composition of Audit Committee

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

David Ryan	Not Independent	Financially Literate
Donald Archibald	Independent	Financially Literate
Bernie Hoing	Independent	Financially Literate

Relevant Education and Experience

All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements, and have an understanding of internal controls. The members of the Audit Committee intend to maintain their currency by periodically taking continuing education courses.

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

David Ryan: Mr. Ryan serves as Vice President of Corporate Communications and as a Director of Manado Gold Corp., a mineral exploration company listed on the TSX-V, since August 2010 and has been the CFO of Manado Gold Corp since November 2016. Mr. Ryan was an executive officer of Yaterra Ventures Inc., a mineral resource company that was a reporting issuer in the United States and in British Columbia. From 1989 until 1995, Mr. Ryan was an investment advisor at Georgia Pacific Securities Vancouver. Accordingly, Mr. Ryan has the ability to understand financial statements relating to junior mineral resource companies.

Donald Archibald: has served as a Director of Manado Gold Corp. since August 2010 and served as Chief Financial Officer and Corporate Secretary from June 2011 to November 2016. Throughout the 1980s and 1990s, Mr. Archibald has previously served as a director or officer of a number of public mining companies.

Bernie Hoing: Mr. Hoing has served as Claim Manager at Travelers Canada from July 2006 to present. Mr. Hoing has served as a director of Midnight Star Ventures Inc. since November 2014. Mr. Hoing also served as President, Secretary, Treasurer and director of Pengram Corporation, a company formerly quoted on the OTC Markets (formerly the OTC Bulletin Board) engaged in the acquisition and exploration of mineral properties from April 2006 to May 2008. As such, Mr. Hoing is financially literate with respect to understanding financial statements relating to junior mining companies.

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

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

Pre-Approval Policies and Procedures

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

External Auditor Fees

The aggregate fees billed to the Company for the services provided by the external auditor for the period from inception on January 9, 2017 to December 31, 2017 are as follows:

	Period from Inception to December 31, 2017
Audit Fees	$15,000
Audit-Related Fees	-
Tax Fees	-
All Other Fees	-
Total	$15,000

Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110, which exempts a venture issuer from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in an annual information form as prescribed by NI 52-110.

Corporate Governance

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

The Company's corporate governance practices are summarized below:

Board of Directors

The Board of Directors is currently comprised of four members. The rules of the Exchange do not have independent director requirements. An "independent" director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director's independent judgment. Donald Archibald and Bernie Hoing are independent directors of the Company, as aside from Common Shares held by them, they have no ongoing interest or relationship with the Company other than serving as directors. Neither David Ryan nor Logan Anderson are independent directors because of their respective positions as executive officers of the Company.

Directorships

The following directors are also currently directors of the following reporting issuers:

Name of Director	Name of Reporting Issuer	Exchange
David Ryan	Midnight Star Ventures Corporation	Canadian Securities Exchange
	Manado Gold Corp.	TSX Venture Exchange
Logan Anderson	International Battery Metals Ltd.	Canadian Securities Exchange
	Manado Gold Corp.	TSX Venture Exchange
	Aloro Mining Corp.	TSX Venture Exchange
Donald Archibald	Manado Gold Corp.	TSX Venture Exchange

Bernie Hoing	Midnight Star Ventures Corporation	Canadian Securities Exchange

<u>Orientation and Continuing Education</u>

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

<u>Ethical Business Conduct</u>

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

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

<u>Nomination of Directors</u>

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

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

<u>Compensation</u>

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

<u>Other Board Committees</u>

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

<u>Assessments</u>

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

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

PLAN OF DISTRIBUTION

Offering

Under the Agency Agreement the Company has appointed the Agent on a commercially reasonable efforts basis to offer for sale a minimum of 2,916,666 and a maximum of 3,333,333 Common Shares of the Company at a price of $0.12 per Common Shares for minimum gross proceeds of $350,000 and maximum gross proceeds of $400,000. The issue price of $0.12 per Common Share was determined by negotiation between the Company and the Agent in accordance with the policies of the Exchange.

The completion of the Offering is subject to a minimum subscription of Common Shares for minimum gross proceeds of $350,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the minimum subscription of $350,000 has been raised. In the event that the minimum subscription is not attained by the end of the period of the Offering, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction.

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

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

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

The Company has also granted the Agent a right of first refusal to provide any brokered equity financing that the Company proposes to conduct for a period ending one year from the closing of the Offering.

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

Agent’s Commission

The Company has agreed to pay to the Agent a cash commission equal to 9% of the aggregate gross proceeds of the Offering in consideration for its services in connection with the Offering. Such commission, together with all other expenses of the Offering, will be paid by the Company out of the proceeds of the Offering. The Company has also agreed to pay to the Agent the Corporate Finance Fee of $22,500 upon Closing of the Offering and the Agent’s expenses related to the Offering including reasonable legal fees, taxes and disbursements.

As additional compensation, on the Closing, the Company has agreed to grant to the Agent the Agent’s Warrants, exercisable to acquire that number of Common Shares equal to 9% of the number of Common Shares sold pursuant to this Offering, each Agent’s Warrant exercisable to acquire one Common Share at the price of $0.12 per Common Share for a period 24 months from the Listing Date. The Agent’s Warrants will be qualified under this prospectus.

Listing of Common Shares on the Exchange

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

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

RISK FACTORS

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

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

Substantial Number of Authorized but Unissued Shares

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

Dilution

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

No Market for Securities

There is currently no market through which any of the Common Shares, may be sold and there is no assurance that such securities of the Company will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a stock exchange, holders of the Common Shares may not be able to sell their Common Shares. Even if a listing is obtained, there can be no assurance that an active public market for the Common Shares will develop or be sustained after completion of the Offering. The offering price determined by negotiation between the Company and the Agent was based upon several factors, and may bear no relationship to the price that will prevail in the public market. The holding of Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Common Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Negative Cash Flow from Operating Activities

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

Current Market Volatility

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

Use of Funds

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

No Production History

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

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

Limited Operating History

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

Significant Long-Term Debt

The Company has over $55,000 in long term debt obligations, which includes the Convertible Loans. They Company will be required to raise additional funds in order to ensure that they are able to make the payments on these debts when they reach maturity. If the Company is unable to make these payments it will be in default and its business may fail.

Exploration, Mining and Operational Risks

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

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

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

Mining Claims

Although the Company believes that it will obtain the necessary prospecting licenses and permits, including but not limited to drill permits, there can be no assurance that they will be granted or as to the terms of any such grant. Furthermore, the Company is required to pay annual BLM fees on the mineral claims of the Cupz Property in order to maintain them in good standing. If the Company is unable to expend these amounts, the Company may lose its title thereto on the expiry date(s) of the relevant mineral claims on the Cupz Property. There is no assurance that, in the event of losing its title to mineral claims, the Company will be able to register the mineral claims in its name without a third party registering its interest first.

The Company requested that all of the claims of the Cupz Property remain registered in the name of the Vendor until such time as the Company incorporates a wholly owned subsidiary in Nevada for the purpose of registering the Company's ownership interest. As a result, if a dispute were to occur between the Company and the Vendor with respect to ownership of the mineral claims and the Vendor refuses to renew the claims the Company may lose title to the claims.

There is no assurance that, in the event of losing its title to the Cupz Property mineral claims, the Company will be able to register the mineral claims in its name without a third party registering its interest first.

Assurance of Title

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

Possible Failure to Obtain Mining Licenses

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

Competition

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

Conflicts of Interest

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

Personnel

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

Volatility of Commodity Prices

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

Environmental Risks and Other Regulatory Requirements

Inherent with mining operations is an environmental risk. The current or future operations of the Company, including exploration and development activities and commencement of production on the Cupz Property, require permits from various governmental authorities. Such operations are governed by laws and regulations that govern prospecting, mining, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, and other matters. Companies engaged in the development and operation of mines and related facilities generally experience a costs and delays in production as a result of needing to comply with applicable laws, regulations and permits. There can be no assurance that all permits that the Company requires for future, exploration, development, construction and operation of mining facilities and the conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on the operations of the Company.

The Cupz Property is not within the parts of Nevada previously proposed for withdrawal to mineral entry as part of the Greater Sage Grouse management plans. However, similar efforts to protect other species cannot be completely ruled out in the future. The area is home to federally protected feral burros and any disturbance permits will likely include provisions to protect them. If there is a conflict between the feral burros habitat and the Company's exploration plans, a permit may not be issued. If the federal government were to implement a withdrawal to mineral entry with respect to any species that has a habitat on the Cupz Property, the Company would not be able to conduct exploration activities until such withdrawal had been eliminated.

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

Uninsured Risks

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

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

Health and Safety Risks

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

Tax Issues

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

Additional Requirements for Capital

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

Smaller Companies

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

Liquidity of the Common Shares

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

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

General

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

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

PROMOTERS

David Ryan, the Company's Chief Executive Officer, President and Director, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Ryan owns 1,500,001 Common Shares of the Company, which is 14.25% of the Common Shares outstanding prior to giving effect to the Offering. See "Principal Shareholders", "Directors and Executive Officers" and "Executive Compensation".

Logan Anderson, the Company's Chief Financial Officer, Secretary and Director, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Anderson owns 1,500,000 Common Shares of the Company, which is 14.25% of the Common Shares outstanding prior to giving effect to the Offering. See "Principal Shareholders", "Directors and Executive Officers" and "Executive Compensation".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings that the Company is or was a party to, or that any of the Company's property is or was the subject of, since December 31, 2017, that were or are material to the Company, and there are no such material legal proceedings that the Company knows to be contemplated.

There were no: (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since inception on December 31, 2017; (ii) other penalties or sanctions imposed by a court or regulatory body against the Company that the Company believes must be disclosed for this prospectus to contain full, true and plain disclosure of all material facts relating to the Common Shares; or (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since inception on January 9, 2017.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

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

RELATIONSHIP BETWEEN COMPANY AND AGENT

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

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Davidson & Company LLP, located at 1200 – 609 Granville Street, BC V7Y 1G6.

The transfer agent and registrar for the Common Shares is National Issuer Services Ltd., located at Suite 760,770 Hornby Street, Vancouver BC V6Z 1S4.

MATERIAL CONTRACTS

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

1. Cupz Property Purchase Agreement dated July 12, 2017 between the Company and Curellie LLC. See "Business of the Company".

2. Stock Option Plan adopted May 30, 2018. See "Description of the Securities Distributed".

3. Escrow Agreement dated November 13, 2018 among the Company, National Issuer Services Ltd. and the Escrowed Shareholders. See "Escrowed Securities".

4. Agency Agreement dated November 13, 2018 between the Company and Canaccord Genuity Corp. See "Plan of Distribution".

EXPERTS

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

(a) Alan J. Morris, MSc., CPG, of Spring Creek, Nevada, USA, is an independent consulting geologist and is a "qualified person" as defined in NI 43-101, and is the author responsible for the preparation of the Technical Report on the Cupz Property.

(b) The audited financial statements included in this prospectus have been subject to audit by Davidson & Company LLP, and their audit report is included herein. Davidson & Company LLP is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

(c) The opinion under the section "Eligibility for Investment" has been provided by Koffman Kalef LLP.

None of the foregoing persons, partnerships or companies or any director, officer, employee, principal or partner thereof holds, have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person or company prepared the report, valuation, statement or opinion aforementioned or thereafter. No other director, officer, partner or employee of any of the aforementioned companies or partnerships is currently expected to be elected, appointed or employed as a director, officer or employee of the Company or any associates or affiliates of the Company.

ELIGIBILITY FOR INVESTMENT

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

Notwithstanding that such Common Shares may be a qualified investment for a RRSP, RRIF, TFSA, RDSP, or RESP (each a "Registered Plan"), the annuitant of the RRSP or the RRIF, the subscriber under the RESP or the holder of the TFSA or the RDSP, as the case may be, (the "Controlling Individual") will be subject to a penalty tax in respect of the Common Shares held in the Registered Plan if the Common Shares are a "prohibited investment" (as defined in the Tax Act) for the particular Registered Plan. The Common Shares will be a "prohibited investment" for a Registered Plan if the Controlling Individual (i) does not deal at arm's length with the Company for purposes of the Tax Act or (ii) has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in the Company. Generally, a Controlling Individual will not be considered to have a "significant interest" in the Company unless the Controlling Individual owns ten percent (10%) or more of the value of the outstanding Common Shares of the Company, either alone or together with persons and partnerships with which the Controlling Individual does not deal at arm's length.

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

RIGHTS OF WITHDRAWAL AND RESCISSION

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

FINANCIAL STATEMENTS

The Company has included audited financial statements of the Company for the period from inception on January 9, 2017 to December 31, 2017 and unaudited financial statements for the six month period ended June 30, 2018.

SCOTCH CREEK VENTURES INC.

ANNUAL FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCEPTION ON JANUARY 9, 2017 TO DECEMBER 31, 2017

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Directors of
Scotch Creek Ventures Inc.

We have audited the accompanying financial statements of Scotch Creek Ventures Inc., which comprise the statement of financial position as at December 31, 2017, and the statements of operations and comprehensive loss, changes in equity and cash flows for the period from inception on January 9, 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 Scotch Creek Ventures Inc. as at December 31, 2017 and its financial performance and its cash flows for the period from inception on January 9, 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 Scotch Creek Ventures Inc.'s ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Professional Accountants

November 13, 2018

SCOTCH CREEK VENTURES INC.

STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

		DECEMBER 31, 2017
ASSETS		
Current		
Cash	$	41,131
Accounts receivable		2,628
Total Current Assets		43,759
Exploration and Evaluation Assets (Note 5)		108,548
Total Assets	$	152,307
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$	18,649
EQUITY		
Share Capital (Note 6)		240,900
Deficit		(107,242)
Total Equity		133,658
Total Liabilities and Equity	$	152,307

NATURE AND CONTINUANCE OF OPERATIONS (NOTE 1)
SUBSEQUENT EVENTS (NOTE 12)

The financial statements were approved and authorized for issue by the Board of Directors on November 13, 2018. They were signed on the Company's behalf by:

"David Ryan"	"Logan Anderson"
Director	Director

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

SCOTCH CREEK VENTURES INC.

STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

		PERIOD FROM INCEPTION ON JANUARY 9, 2017 TO DECEMBER 31, 2017
Expenses		
Bank charges and interest	$	286
Directors' fees		12,000
Office and miscellaneous		981
Management fees (Note 10)		50,000
Professional fees		33,735
Rent		1,000
Exploration costs		500
Travel		8,740
		107,242
Net Loss and Comprehensive Loss for the Period	$	(107,242)
Loss Per Common Share, Basic and Diluted	$	(0.04)
Weighted Average Number of Common Shares Outstanding		2,814,608

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

SCOTCH CREEK VENTURES INC.
STATEMENT OF CASH FLOWS
(Expressed in Canadian Dollars)

		PERIOD FROM INCEPTION ON JANUARY 9, 2017 TO DECEMBER 31, 2017
Cash Provided By (Used In):		
Operating Activities		
Net loss for the period	$	(107,242)
Net changes in non-cash operating working capital items:		
Accounts receivable		(2,628)
Accounts payable and accrued liabilities		12,010
		(97,860)
Financing Activities		
Proceeds from share issuances		240,900
		240,900
Investing Activities		
Exploration and evaluation assets		101,909
		101,909
Net Increase In Cash		41,131
Cash, Beginning of Period		-
Cash, End of Period	$	41,131
Supplemental Cash Flow Information		
Interest paid	**$**	-
Income taxes paid	**$**	-
Exploration and evaluation assets included in accounts payable and accrued liabilities	**$**	6,639

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

SCOTCH CREEK VENTURES INC.
STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM INCEPTION ON JANUARY 9, 2017 TO DECEMBER 31, 2017
(Expressed in Canadian Dollars)

	SHARE CAPITAL						
	COMMON SHARES		AMOUNT		DEFICIT		TOTAL EQUITY
Balance, January 9, 2017	1	$	-	$	-	$	-
Shares issued for cash	10,529,999		240,900		-		240,900
Net loss for the period	-		-		(107,242)		(107,242)
Balance December 31, 2017	**10,530,000**	**$**	**240,900**	**$**	**(107,242)**	**$**	**133,658**

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

SCOTCH CREEK VENTURES INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCEPTION ON JANUARY 9, 2017 TO DECEMBER 31, 2017
(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

a) Nature of Operations

Scotch Creek Ventures Inc. (the "Company") was originally incorporated under the Business Corporations Act of British Columbia on January 9, 2017. The principal business of the Company is the acquisition and exploration of resource properties in North America.

On July 12, 2017 the Company acquired by a cash purchase 14 unpatented lode claims in Esmeralda County Nevada, USA (Note 5).

The address of the Company's corporate office and principal place of business is Suite 1085, 555 Burrard Street Vancouver BC, V7X 1M8, Canada.

b) Continuance of Operations

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown in these financial statements and do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

During the period ended December 31, 2017, the Company incurred a net loss of $107,242 and at December 31, 2017 had an accumulated deficit of $107,242. The operations of the Company have been funded by the issuance of common shares. Continued operations of the Company are dependent on the Company's ability to complete equity financings. Management's plan in this regard is to secure additional funds through future equity financings, which may be unavailable or unavailable on reasonable terms. These factors may cast significant doubt on the Company's ability to continue as a going concern.

2. BASIS OF PRESENTATION

a) Statement of Compliance

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

These financial statements were authorized for issue by the Board of Directors on November 13, 2018.

2. BASIS OF PRESENTATION (Continued)

b) Basis of Presentation

These financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The functional currency of the Company is the Canadian dollar, being the currency of the primary economic environment of the entity. The functional currency is also the presentation currency. The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. See Note 4 for use of estimates and judgments made by management in the application of IFRS.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements set out below have been applied consistently in all material respects.

Cash and Cash Equivalents

Cash consists of cash held in an interest bearing bank account. For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes. The Company has no cash equivalents as at December 31, 2017.

Basic and Diluted Loss per Common Share

Basic loss per common share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the period. Diluted earnings per common share reflect the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method and the effect of convertible securities by the “if converted” method. Diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred. Accordingly, there is no difference in the amounts presented for basic and diluted loss per common share.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, the Company classifies its financial assets in the following categories depending on the purpose for which the instruments were acquired.

Financial assets are classified into one of four categories: Financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity investments, available-for-sale ("AFS") financial assets and loans and receivables.

The Company has classified cash and short term investments as FVTPL.

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. Financial assets are impaired when one or more events that occurred after the initial recognition of the financial asset have been recognized.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of all financial assets, excluding trade receivables, is directly reduced by the impairment loss.

The carrying amount of trade receivables is reduced through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in net income.

Impairment losses on loans and receivables carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized. Impairment losses on available-for-sale equity instruments are not reversed.

Financial liabilities within the scope of International Accounting Standards ("IAS") 39 are classified as financial liabilities at FVTPL, or other financial liabilities, as appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and subsequently classified as other financial liabilities.

The Company's financial liabilities include accounts payables and accrued liabilities. Subsequent to initial recognition, accounts payable and accrued financial liabilities are measured at amortized cost using the effective interest method.

Financial instruments subject to fair value measurement are classified within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

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

Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets, or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions; and

Level 3 – Applies to assets or liabilities which are not based on observable market data.

Translation of Foreign Currencies

The financial statements are presented in Canadian dollars which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined and are not subsequently retranslated.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of operations and comprehensive loss in the period in which they arise.

Share-based Payments

Equity-settled share based payments for directors, officers and employees are measured at fair value at the date of grant and recorded as compensation expense with a corresponding increase to share-based payment reserve in the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based Payments (Continued)

The fair value determined at the grant date of equity-settled share based payments is expensed using the graded vesting method over the vesting period based on the Company's estimate of shares that will eventually vest. Upon exercise of the stock options, consideration paid by the option holder together with the amount previously recognized in share-based payment reserve is recorded as an increase to share capital. Upon expiry, the amounts recorded for share-based compensation are transferred to deficit from the share-based payment reserve. Shares are issued from treasury upon the exercise of equity-settled share based instruments.

Compensation expense on stock options granted to non-employees is measured at the earlier of the completion of performance and the date the options are vested using the fair value method and is recorded as an expense in the same period as if the Company had paid cash for the goods or services received.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a Black-Scholes valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

Exploration and Evaluation Assets

<u>Pre-exploration costs</u>

Pre-exploration costs are expensed in the period in which they are incurred.

<u>Exploration and evaluation costs for mineral properties</u>

Once the legal right to explore a property has been acquired, exploration and evaluation expenditures are recognized and capitalized. Mineral exploration costs are capitalized on an individual prospect basis until such time as an economic ore body is defined or the prospect is abandoned. Once the technical feasibility and commercial viability of extraction of the mineral resources has been determined, the property is considered to be a property under development and is reclassified. Costs for a producing prospect are amortized on a unit-of-production method based on the estimated proven and probable reserves, while those costs for the prospects abandoned are written off.

On an annual basis or when impairment indicators arise, the Company evaluates the future recoverability of its mineral property costs. Impairment losses or write-downs are recorded in the event the net book value of such assets exceeds the estimated indicated future cash flows attributable to such assets.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and Evaluation Assets (Continued)

Exploration and evaluation costs for mineral properties (Continued)

The recoverability of the amounts capitalized for the undeveloped mineral property is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to obtain the necessary financing to complete their development, and future profitable production or proceeds from the disposition thereof.

Title to mineral properties 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 conveyance history characteristic of many mineral properties. The Company has investigated title to its mineral properties and, to the best of its knowledge, title to its properties are in good standing.

Management's capitalization of exploration and development costs and assumptions regarding the future recoverability of such costs are subject to significant measurement uncertainty. Management's assessment of recoverability is based on, among other things, the Company's estimate of current mineral reserves and resources which are supported by geological estimates, estimated commodity prices, and the procurement of all necessary regulatory permits and approvals. These assumptions and estimates could change in the future and this could materially affect the carrying value and the ultimate recoverability of the amounts recorded for mineral properties.

Impairment of Long-lived Assets

The Company's tangible and intangible assets are reviewed for an indication of impairment at each statement of financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Impairment losses are recognized in net income for the period. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of Long-lived Assets (Continued)

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For 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.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss with respect to goodwill is never reversed.

Rehabilitation Provisions

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of tangible long-lived assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates is capitalized to the amount of the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflects 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 liability is progressively increased each period as the effect of discounting unwinds, creating an expense recognition in net income.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements 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 at each reporting date for changes in regulatory requirements, 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 net income for the period.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share Capital

Common shares are classified as equity. Proceeds from unit placements are allocated between shares and warrants issued using the residual value method. Costs directly identifiable with share capital financing are charged against share capital. Share issuance costs incurred in advance of share subscriptions are recorded as non-current deferred assets. Share issuance costs related to uncompleted share subscriptions are charged to operations in the period they are incurred.

Income Taxes

Income tax expense comprises both current and deferred tax. Current and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current income taxes are the expected taxes payable on taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to taxes payable in respect of previous years.

Deferred tax assets and liabilities are recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Accounting Standards Issued But Not Yet Applied

The following new accounting standards and interpretations have been published, but have not been applied in the preparation of these financial statements:

IFRS 9, Financial Instruments

The IASB intends to replace IAS 39 – "Financial Instruments: Recognition and Measurement" in its entirety with IFRS 9 in three main phases. IFRS 9 will be the new standard for the financial reporting of financial instruments that is principles-based and less complex than IAS 39. IFRS 9 requires that all financial assets be measured at amortized cost or at fair value

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Standards Issued But Not Yet Applied (Continued)

based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are measured at amortized cost except for financial liabilities classified as at fair value through profit or loss, financial guarantees and certain other exceptions. IFRS 9 can currently be adopted voluntarily, but is mandatory for years beginning on or after January 1, 2018.

IFRS 15, Revenue from Contracts with Customers

IFRS 15 contains new standards on revenue recognition that will supersede IAS 18, *Revenue*, IAS 11, *Construction Contracts* and related interpretations. These standards are effective for the fiscal period beginning on or after January 1, 2018.

IFRS 16, Leases

In January 2016, the IASB issued IFRS 16 Leases which replaces the previous leases standard, IAS 17 Leases. IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Lessors continue to classify leases as operating leases or finance leases, and account for those two types of leases differently. IFRS 16 is effective for periods beginning on or after January 1, 2019.

The eventual application of these standards is not expected to have a significant impact on the Company's existing accounting policies or financial statement presentation.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include the following:

4. USE OF ESTIMATES AND JUDGMENTS (Continued)

i) Exploration and Evaluation Expenditures

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

ii) Impairment

At each reporting period, assets, specifically exploration and evaluation assets, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. The assessment of the carrying amount often requires estimates and assumptions such as discount rates, exchange rates, commodity prices, future capital requirements and future operating performance.

iii) Share-based Payment Transactions

Management uses the Black-Scholes option pricing model to determine the fair value of employee stock options. This model requires assumptions of the expected future price volatility of the Company's common shares, expected life of options, future risk-free interest rates and the dividend yield of the Company's common shares.

iv) Title to Mineral Property Interest

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

4. USE OF ESTIMATES AND JUDGEMENTS (Continued)

v) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision.

Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

vi) Rehabilitation Provision

The application of the Company's accounting policy for rehabilitation is based on internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management.

Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates will result in changes to provisions from period to period. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market conditions at the time when the rehabilitation costs are actually incurred.

vii) Determination of Going Concern Assumption

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

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

	CUPZ CLAIMS
Property acquisition costs	
Balance, January 9, 2017	$ -
Additions during the period	25,485
Balance, December 31, 2017	**$ 25,485**
Deferred exploration expenditures	
Balance, January 9, 2017	$ -
Additions during the period	
Sampling	3,723
Field Reports	6,370
Geophysics	39,806
Assays	3,147
Mapping	23,043
43-101 Report	6,974
Balance, December 31, 2017	**$ 83,063**
Total balance, December 31, 2017	**$ 108,548**

Cupz Claims

On July 12, 2017, the Company entered into a purchase agreement with Curellie LLC ("Curellie") of Elko Nevada to acquire a 100% undivided interest in the Cupz unpatented lode claims (Cupz 1-14) located in Esmeralda County Nevada USA.

The terms of the agreement are an outright purchase of the property for $17,000 with a 3% net smelter return ("NSR") royalty to Curellie.

The Company may at anytime reduce the royalty to 2% by paying $500,000 to Curellie or to 1% by paying $1,000,000.

The Company staked an additional 25 contiguous unpatented claims at a cost of $8,485 to increase the total number of claims to 39 claims covering approximately 806 acres.

(Expressed in Canadian Dollars)

6. EQUITY

Share Capital

a) Authorized

Unlimited common shares, without par value.
Unlimited preferred shares, without par value.

b) Issued

No preferred shares were issued and outstanding during the period from inception on January 9, 2017 to December 31, 2017. Changes to the number of outstanding common shares as follows:

i) On January 9, 2017, one share of the Company was issued on incorporation.
ii) On January 31, 2017, the Company issued 3,000,000 units at a price of $0.005 per unit for total proceeds of $15,000. Each unit consisted of one common share and one share purchase warrant, with each warrant entitling the holder to purchase an additional common share at $0.005 per share (increasing to $0.10 per share on such date that the Company is listed on a public stock exchange) for a period of two years. No value was attributed to the warrants issued as part of the unit offering.
iii) On December 31, 2017, the Company issued 7,529,999 common shares at a price of $0.03 per common share for total proceeds of $225,900.

c) Escrowed shares

A total of 3,700,001 shares are subject to escrow. A total of 10% of the escrow shares will be released on the date on which the common shares are listed for trading on a public stock exchange with the remaining escrow shares being released in 15% tranches every 6 months thereafter.

Share Purchase Warrants

The changes in share purchase warrants outstanding are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance as at January 9, 2017	-	-
Issued	3,000,000	$ 0.005
Balance as at December 31, 2017	3,000,000	$ 0.005

The Company issued 3,000,000 common share purchase warrants with an exercise price of $0.005 per warrant pursuant to the issuance completed on January 31, 2017.

7. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, and accounts payable and accrued liabilities. With the exception of cash, all financial instruments held by the Company are measured at amortized cost. The fair values of these financial instruments approximate their carrying value due to their short-term maturities. Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values. The levels of the fair value hierarchy are as follows:

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.

As at December 31, 2017, the fair value of cash is measured based on level 1 inputs of the fair value hierarchy.

8. RISK MANAGEMENT

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include currency, credit, interest rate, liquidity, and commodity price risks. Where material, these risks are reviewed and monitored by the Board of Directors.

a) Currency Risk

The Company's functional currency and the reporting currency is the Canadian dollar ("CDN$"). Periodically, the Company incurs charges on its operations for settlement in currencies other than its functional currency and any gain or loss arising on such transactions is recorded in operations for the year.

The Company holds an interest in 39 unpatented mining claims located in the USA. As a result, the Company is subject to foreign currency and exchange risk on the translation of these transactions and year end balances to the reporting currency. Any gains or losses arising in the period are included in operations for the year.

As at December 31, 2017, the fluctuations in the USD$ relative to the CDN$ do not have a significant impact on the net loss for the year or the future estimated cash flows required to maintain its Nevada property.

8. RISK MANAGEMENT (Continued)

b) Credit Risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in reputable Canadian financial institutions. Management believes that the credit risk concentration with respect to cash is remote.

c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of cash and short-term investment is limited because the majority of the Company's cash and short-term investment balances are held by a Canadian chartered bank and the Company has no bank debt.

d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. Accounts payable and accrued liabilities are due within the current operating period and the Company had sufficient liquidity to meet these obligations.

e) Commodity Price Risk

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

9. CAPITAL MANAGEMENT

When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to manage its capital.

(Expressed in Canadian Dollars)

9. CAPITAL MANAGEMENT (Continued)

The properties in which the Company currently has an interest are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management considers its approach to capital management to be appropriate given the relative size of the Company. The Company is not subject to externally imposed capital requirements.

10. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the period from inception on January 9, 2017 to December 31, 2017, the Company incurred and paid a total of $50,000 in management fees to two officers and directors of the Company.

The Company also incurred a total of $12,000 in directors' fees to two independent directors.

As at December 31, 2017, $3,500 was owing to the two independent directors and included in accounts payable and accrued liabilities.

11. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes for the period from inception on January 9, 2017 to December 31, 2017 is as follows:

		$
Loss and comprehensive loss for the period		**(107,242)**
Expected income tax recovery		**(29,000)**
Change in unrecognized deductible temporary differences		**29,000**
Total income tax recovery	**$**	**-**

The Company's combined federal and provincial tax rate applicable for the period from inception on January 9, 2017 to December 31, 2017 was 26%.

(Expressed in Canadian Dollars)

11. INCOME TAXES (Continued)

The significant components of the Company's unrecorded deferred tax assets are as follows:

		December 31, 2017
		$
Non-capital losses available for future periods		**29,000**
Unrecognized deferred tax assets		**(29,000)**
Net deferred tax assets	**$**	**-**

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

		December 31, 2017	Expiry date range
Temporary Differences			
Non-capital losses available for future periods	**$**	**107,000**	**2037**

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

12. SUBSEQUENT EVENTS

The Company entered into an agency agreement with Canaccord Genuity Corp. (the "Agent") whereby it is offering on a commercially reasonable best efforts basis to purchasers' resident in British Columbia and Alberta, and elsewhere permitted by applicable law, a minimum of 2,916,666 and a maximum of 3,333,333 common shares (the "Common Shares") of the Company at a price of $0.12 per Common Share for minimum gross proceeds of $350,000 and maximum gross proceeds of $400,000. The offering price was determined by negotiation between the Agent and the Company in accordance with applicable policies of the Canadian Securities Exchange (the "Exchange").

The Agent shall receive a cash commission equal to 9% of the aggregate gross proceeds of the Offering and non-transferable warrants (the "Agent's Warrants") to purchase up to that number of Common Shares in the capital of the Company equal to 9% of the aggregate number of Common Shares sold under this Offering, Each Agents warrant is exercisable to purchase one common share at a price of $0.12 per Common Share for a period of twenty-four months from the date that the Company's common shares are first listed on the Exchange.

12. SUBSEQUENT EVENTS (Continued)

In addition, the Company has agreed to reimburse the Agent for all reasonable expenses incurred in connection with this Offering and has provided a retainer of $15,000, from which those expenses are to be deducted with the balance to be paid at Closing. In addition, the Company will pay the Agent a non-refundable corporate finance fee of $22,500.

On May 23, 2018, the Company issued a two-year promissory note for $20,000, which bears interest at a rate of 10% per annum and is due on or before May 23, 2020.

On June 28, 2018, the Company issued promissory notes pursuant to two loan agreements for a total of $35,000. Under the terms of the loan agreements, each loan bears interest at a rate of 10% per annum, and is due within eighteen months from the date of the agreement. The loan agreements shall entitle the lenders to convert any portion of the loan into common shares of the Company, at a price of $0.12 per share, and are due on or before December 28, 2019.

On May 30, 2018, the Company adopted a Stock Option Plan (the "Stock Option Plan") providing for the grant to the Company's officers, directors, employees, permitted consultants, and, management company employees, of options to purchase common shares of the Company. Under the Stock Option Plan, the Company may grant options to purchase up to 10% of the issued and outstanding shares of the Company. No options have been granted to date.

SCOTCH CREEK VENTURES INC.

INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2018

(Expressed in Canadian Dollars)
(Unaudited)

SCOTCH CREEK VENTURES INC.

STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

	JUNE 30, 2018	DECEMBER 31, 2017
ASSETS		
Current		
Cash	$ 20,795	$ 41,131
Accounts receivable	4,059	2,628
Total Current Assets	24,854	43,759
Exploration and Evaluation Assets (Note 5)	108,548	108,548
Total Assets	$ 133,402	$ 152,307
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 11)	$ 32,319	$ 18,649
	32,319	18,649
Promissory note (Note 6)	20,000	-
EQUITY		
Share Capital (Note 7)	240,900	240,900
Deficit	(159,817)	(107,242)
Total Equity	81,083	133,658
Total Liabilities and Equity	$ 133,402	$ 152,307

NATURE AND CONTINUANCE OF OPERATIONS (NOTE 1)
SUBSEQUENT EVENTS (NOTE 12)

The financial statements were approved and authorized for issue by the Board of Directors on November 13, 2018 They were signed on the Company's behalf by:

"David Ryan"	"Logan Anderson"
Director	Director

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

SCOTCH CREEK VENTURES INC.

STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)
(Unaudited)

	THREE MONTH PERIOD ENDED JUNE 30, 2018	THREE MONTH PERIOD ENDED JUNE 30, 2017	SIX MONTH PERIOD ENDED JUNE 30, 2018	PERIOD FROM INCEPTION ON JANUARY 9, 2017 TO JUNE 30, 2017
Expenses				
Bank charges and interest	$ 43	$ 21	$ 87	$ 214
Directors' fees	3,000	3,000	6,000	6,000
Office and miscellaneous	-	500	1,000	500
Management fees (Note 11)	15,000	15,000	30,000	20,000
Professional fees	5,200	3,500	13,700	3,750
Travel	1,401	3,053	1,788	3,053
	26,644	25,074	52,575	33,517
Net Loss and Comprehensive Loss for the Period	$ (26,644)	$ (25,074)	$ (52,575)	$ (33,517)
Loss Per Common Share, Basic and Diluted	$ (0.01)	$ (0.01)	$ (0.00)	$ (0.01)
Weighted Average Number of Common Shares Outstanding	10,530,000	3,000,001	10,530,000	2,616,280

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

SCOTCH CREEK VENTURES INC.
STATEMENT OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

	SIX MONTH PERIOD ENDED JUNE 30, 2018	PERIOD FROM INCEPTION ON JANUARY 9, 2017 TO JUNE 30, 2017
Cash Provided By (Used In):		
Operating Activities		
Net loss for the period	$ (52,575)	$ (33,517)
Net changes in non-cash operating working capital items:		
Accounts receivable	(1,431)	(835)
Accounts payable and accrued liabilities	13,670	8,303
	(40,336)	(26,049)
Financing Activities		
Proceeds from share issuances	-	15,000
Promissory note	20,000	-
Subscriptions received in advance	-	131,000
	20,000	146,000
Net Increase (decrease) In Cash	(20,336)	119,951
Cash, Beginning of Period	41,131	-
Cash, End of Period	$ 20,795	$ 119,951
Supplemental Cash Flow Information		
Interest paid	**$ -**	**$ -**
Income taxes paid	**$ -**	**$ -**

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

SCOTCH CREEK VENTURES INC.
STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2018 AND
FOR THE PERIOD FROM INCEPTION ON JANUARY 9, 2017 TO JUNE 30, 2017
(Expressed in Canadian Dollars)
(Unaudited)

	SHARE CAPITAL				
	COMMON SHARES	AMOUNT	SUBSCRIPTIONS RECEIVED IN ADVANCE	DEFICIT	TOTAL EQUITY
Balance, January 9, 2017	**1**	**$ -**	**$ -**	**$ -**	**$ -**
Shares issued for cash	3,000,000	15,000	-	-	15,000
Subscriptions received in advance	-	-	131,000	-	131,000
Loss for the period	-	-	-	(33,517)	(33,517)
Balance June 30, 2017	**3,000,001**	**$ 15,000**	**$ 131,000**	**$ (33,517)**	**$ 112,483**
Shares issued for cash	7,529,999	225,900	-	-	225,900
Subscriptions received in advance	-	-	(131,000)	-	(131,000)
Loss for the period	-	-	-	(73,725)	(73,725)
Balance December 31, 2017	**10,530,000**	**$ 240,900**	**$ -**	**$ (107,242)**	**$ 133,658**
Loss for the period	-	-	-	(52,575)	(52,575)
Balance June 30, 2018	**10,530,000**	**$ 240,900**	**$ -**	**$ (159,817)**	**$ (81,083)**

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

1. NATURE AND CONTINUANCE OF OPERATIONS

a) Nature of Operations

Scotch Creek Ventures Inc. (the "Company") was originally incorporated under the Business Corporations Act of British Columbia on January 9, 2017. The principal business of the Company is the acquisition and exploration of resource properties in North America.

On July 12, 2017, the Company acquired by a cash purchase 14 unpatented lode claims in Esmeralda County Nevada, USA (Note 5).

The address of the Company's corporate office and principal place of business is Suite 1085, 555 Burrard Street Vancouver BC, V7X 1M8, Canada.

b) Continuance of Operations

These interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown in these financial statements and do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

During the six month period ended June 30, 2018, the Company incurred a net loss of $52,575 (period from inception on January 9, 2017 to June 30, 2017 - $33,517) and had an accumulated deficit of $159,817 (December 31, 2017 - $107,242). The operations of the Company have been funded by the issuance of common shares. Continued operations of the Company are dependent on the Company's ability to complete equity financings. Management's plan in this regard is to secure additional funds through future equity financings, which may be unavailable or unavailable on reasonable terms. These factors may cast significant doubt on the Company's ability to continue as a going concern.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These interim financial statements, including comparative periods, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting". These financial statements should be read in conjunction with the Company's audited financial statements for the period from inception on January 9, 2017 to December 31, 2017.

These interim financial statements were authorized for issue by the Board of Directors on November 13, 2018.

2. BASIS OF PRESENTATION (Continued)

b) Basis of Presentation

These interim financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The functional currency of the Company is the Canadian dollar, being the currency of the primary economic environment of the entity. The functional currency is also the presentation currency. The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. See Note 4 for use of estimates and judgments made by management in the application of IFRS.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these interim financial statements set out below have been applied consistently in all material respects.

Cash and Cash Equivalents

Cash consists of cash held in an interest bearing bank account. For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes. The Company has no cash equivalents as at June 30, 2018.

Basic and Diluted Loss per Common Share

Basic loss per common share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the period. Diluted earnings per common share reflect the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method and the effect of convertible securities by the "if converted" method. Diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred. Accordingly, there is no difference in the amounts presented for basic and diluted loss per common share.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments

Financial instruments consist of financial assets and financial liabilities and are initially recognized at fair value along with, in the case of a financial asset or liability not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit and loss.

The Company classifies its financial assets and financial liabilities in the following measurement categories:

i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
ii) those to be measured at amortized cost.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income.

Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). Any fair value changes due to credit risk for liabilities designated at fair value through profit and loss are recorded in other comprehensive income.

The Company has implemented the following classifications for financial instruments:

- The Company’s sole financial asset is cash. Cash is classified as an asset at fair value and any changes to fair value subsequent to initial recognition are recorded in profit or loss for the period in which they occur.

- Financial liabilities comprise accounts payable and accrued liabilities, and promissory note. Accounts payable and accrued liabilities, and promissory note are classified as other financial liabilities and are measured at amortized cost using the effective interest rate method. Interest expense is recorded in profit or loss, as applicable.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Impairment of financial assets

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The Company's sole financial asset is cash and, accordingly, does not hold any financial assets measured at amortized cost.

Translation of Foreign Currencies

The financial statements are presented in Canadian dollars which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined and are not subsequently retranslated.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of operations and comprehensive loss in the period in which they arise.

Share-Based Payments

Equity-settled share based payments for directors, officers and employees are measured at fair value at the date of grant and recorded as compensation expense with a corresponding increase to share-based payment reserve in the financial statements.

The fair value determined at the grant date of equity-settled share based payments is expensed using the graded vesting method over the vesting period based on the Company's estimate of shares that will eventually vest. Upon exercise of the stock options, consideration paid by the option holder together with the amount previously recognized in share-based payment reserve is recorded as an increase to share capital. Upon expiry, the amounts recorded for share-based compensation are transferred to deficit from the share-based payment reserve. Shares are issued from treasury upon the exercise of equity-settled share based instruments.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-Based Payments (Continued)

Compensation expense on stock options granted to non-employees is measured at the earlier of the completion of performance and the date the options are vested using the fair value method and is recorded as an expense in the same period as if the Company had paid cash for the goods or services received.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a Black-Scholes valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

Exploration and Evaluation Assets

<u>Pre-exploration costs</u>

Pre-exploration costs are expensed in the period in which they are incurred.

<u>Exploration and evaluation costs for mineral properties</u>

Once the legal right to explore a property has been acquired, exploration and evaluation expenditures are recognized and capitalized. Mineral exploration costs are capitalized on an individual prospect basis until such time as an economic ore body is defined or the prospect is abandoned. Once the technical feasibility and commercial viability of extraction of the mineral resources has been determined, the property is considered to be a property under development and is reclassified. Costs for a producing prospect are amortized on a unit-of-production method based on the estimated proven and probable reserves, while those costs for the prospects abandoned are written off.

On an annual basis or when impairment indicators arise, the Company evaluates the future recoverability of its mineral property costs. Impairment losses or write-downs are recorded in the event the net book value of such assets exceeds the estimated indicated future cash flows attributable to such assets.

The recoverability of the amounts capitalized for the undeveloped mineral property is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to obtain the necessary financing to complete their development, and future profitable production or proceeds from the disposition thereof.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and Evaluation Assets (Continued)

Exploration and evaluation costs for mineral properties (Continued)

Title to mineral properties 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 conveyance history characteristic of many mineral properties. The Company has investigated title to its mineral properties and, to the best of its knowledge, title to its properties are in good standing.

Management's capitalization of exploration and development costs and assumptions regarding the future recoverability of such costs are subject to significant measurement uncertainty. Management's assessment of recoverability is based on, among other things, the Company's estimate of current mineral reserves and resources which are supported by geological estimates, estimated commodity prices, and the procurement of all necessary regulatory permits and approvals. These assumptions and estimates could change in the future and this could materially affect the carrying value and the ultimate recoverability of the amounts recorded for mineral properties.

Impairment of Long-lived Assets

The Company's tangible and intangible assets are reviewed for an indication of impairment at each statement of financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Impairment losses are recognized in net income for the period. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For 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.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of Long-lived Assets (Continued)

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss with respect to goodwill is never reversed.

Rehabilitation Provisions

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of tangible long-lived assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates is capitalized to the amount of the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflects 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 liability is progressively increased each period as the effect of discounting unwinds, creating an expense recognition in net income.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements 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 at each reporting date for changes in regulatory requirements, 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 net income for the period.

Share Capital

Common shares are classified as equity. Proceeds from unit placements are allocated between shares and warrants issued using the residual value method. Costs directly identifiable with share capital financing are charged against share capital. Share issuance costs incurred in advance of share subscriptions are recorded as non-current deferred assets. Share issuance costs related to uncompleted share subscriptions are charged to operations in the period they are incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Income tax expense comprises both current and deferred tax. Current and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current income taxes are the expected taxes payable on taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to taxes payable in respect of previous years.

Deferred tax assets and liabilities are recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Accounting Standards Issued But Not Yet Applied

The following new accounting standards and interpretations have been published, but have not been applied in the preparation of these financial statements:

IFRS 16, Leases

In January 2016, the IASB issued IFRS 16 Leases which replaces the previous leases standard, IAS 17 Leases. IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Lessors continue to classify leases as operating leases or finance leases, and account for those two types of leases differently. IFRS 16 is effective for periods beginning on or after January 1, 2019.

The eventual application of this standard is not expected to have a significant impact on the Company’s existing accounting policies or financial statement presentation.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include the following:

i) Exploration and Evaluation Expenditures

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

ii) Impairment

At each reporting period, assets, specifically exploration and evaluation assets, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. The assessment of the carrying amount often requires estimates and assumptions such as discount rates, exchange rates, commodity prices, future capital requirements and future operating performance.

iii) Share-based Payment Transactions

Management uses the Black-Scholes option pricing model to determine the fair value of employee stock options. This model requires assumptions of the expected future price volatility of the Company's common shares, expected life of options, future risk-free interest rates and the dividend yield of the Company's common shares.

iv) Title to Mineral Property Interest

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

4. USE OF ESTIMATES AND JUDGMENTS (Continued)

v) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision.

Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

vi) Rehabilitation Provision

The application of the Company's accounting policy for rehabilitation is based on internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management.

Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates will result in changes to provisions from period to period. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market conditions at the time when the rehabilitation costs are actually incurred.

vii) Determination of Going Concern Assumption

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

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

	CUPZ CLAIMS
Property acquisition costs	
Balance, January 9, 2017	$ -
Additions during the period	25,485
Balance, December 31, 2017 and June 30, 2018	**$ 25,485**
Deferred exploration expenditures	
Balance, January 9, 2017	$ -
Additions during the period	
Sampling	3,723
Field Reports	6,370
Geophysics	39,806
Assays	3,147
Mapping	23,043
43-101 Report	6,974
Balance, December 31, 2017, and June 30, 2018	**$ 83,063**
Total balance, December 31, 2017 and June 30, 2018	**$ 108,548**

Cupz Claims

On July 12, 2017, the Company entered into a purchase agreement with Curellie LLC ("Curellie") of Elko Nevada to acquire a 100% undivided interest in the Cupz unpatented lode claims (Cupz 1-14) located in Esmeralda County Nevada USA.

The terms of the agreement are an outright purchase of the property for $17,000 with a 3% net smelter return ("NSR") royalty to Curellie.

The Company may at any time reduce the royalty to 2% by paying $500,000 to Curellie or to 1% by paying $1,000,000.

The Company staked an additional 25 contiguous unpatented claims at a cost of $8,485 to increase the total number of claims to 39 claims covering approximately 806 acres.

6. PROMISSORY NOTE

On May 23, 2018, the Company issued a two-year promissory note to an arms length party for $20,000 which bears interest at a rate of 10% per annum and is due on or before May 23, 2020.

On June 28, 2018, the Company entered into two loan agreements (the "Loans") and issued promissory notes pursuant to the Loans for a total of $35,000 (received subsequently). Under the terms of the Loans, each note bears interest at a rate of 10% per annum and is due within eighteen months from the date of the agreement. The Loans entitle the lenders to convert any portion of the Loans into common shares of the Company at a price of $0.12 per share at any time prior to the due date. The Loans are due on or before December 28, 2019.

7. EQUITY

Share Capital

a) Authorized

Unlimited common shares, without par value.
Unlimited preferred shares, without par value.

b) Issued

During the six month period ended June 30, 2018, the Company did not issue any common shares.

No preferred shares were issued and outstanding during the six months ended June 30, 2018, or during the period from inception on January 9, 2017 to December 31, 2017.

Changes to the number of common shares outstanding are as follows:

i) On January 9, 2017, one (1) share of the Company was issued on incorporation.
ii) On January 31, 2017, the Company issued 3,000,000 units at a price of $0.005 per unit for total proceeds of $15,000. Each unit consisted of one common share and one share purchase warrant, with each warrant entitling the holder to purchase an additional common share at $0.005 per share (increasing to $0.10 on such date that the Company is listed on a public stock exchange) for a period of two years. No value was attributed to the warrants issued as part of the unit offering.
iii) On December 31, 2017, the Company issued 7,529,999 common shares at a price of $0.03 per common share for total proceeds of $225,900.

c) Escrowed securities

A total of 3,700,001 shares and 3,000,000 warrants are subject to escrow. A total of 10% of the escrowed shares and warrants will be released on the date on which the common shares are listed for trading on a public stock exchange, with the remaining escrowed shares and warrants being released in 15% tranches every 6 months thereafter.

(Expressed in Canadian Dollars)

7. EQUITY (Continued)

Share Purchase Warrants

The changes in share purchase warrants outstanding are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance as at January 9, 2017	-	-
Issued	3,000,000	$ 0.005
Balance as at December 31 2017 and June 30, 2018	3,000,000	$ 0.005

The Company issued 3,000,000 common share purchase warrants with an exercise price of $0.005 per warrant pursuant to the unit offering completed on January 31, 2017.

Stock Options

On May 30, 2018, the Company adopted a Stock Option Plan (the "Stock Option Plan") providing for the grant of stock options to the Company's officers, directors, employees, permitted consultants, and management company employees to purchase common shares of the Company. Under the Stock Option Plan, the Company may grant stock options to purchase up to 10% of the issued and outstanding shares of the Company. The options have no specific vesting terms and will be determined by the Company at the time of issue.

No stock options have been granted to date.

8. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, and accounts payable and accrued liabilities and promissory note. With the exception of cash, all financial instruments held by the Company are measured at amortized cost. The fair values of these financial instruments approximate their carrying value due to their short-term maturities. Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values. The levels of the fair value hierarchy are as follows:

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.

As at June 30, 2018, the fair value of cash is measured based on level 1 inputs of the fair value hierarchy.

9. RISK MANAGEMENT

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include currency, credit, interest rate, liquidity, and commodity price risks. Where material, these risks are reviewed and monitored by the Board of Directors.

a) Currency Risk

The Company's functional currency and the reporting currency is the Canadian dollar ("CDN$"). Periodically, the Company incurs charges on its operations for settlement in currencies other than its functional currency and any gain or loss arising on such transactions is recorded in operations for the year.

The Company holds an interest in 39 unpatented mining claims located in the USA. As a result, the Company is subject to foreign currency and exchange risk on the translation of these transactions and year end balances to the reporting currency. Any gains or losses arising in the period are included in operations for the year.

As at June 30, 2018, the fluctuations in the USD$ relative to the CDN$ do not have a significant impact on the net loss for the year or the future estimated cash flows required to maintain its Nevada property.

b) Credit Risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in reputable Canadian financial institutions. Management believes that the credit risk concentration with respect to cash is remote.

c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of cash and short-term investment is limited because the majority of the Company's cash and short-term investment balances are held by a Canadian chartered bank and the Company has no bank debt.

d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is through the management of its capital resources. Accounts payable and accrued liabilities are due within the current operating period and are subject to normal trade terms.

9. RISK MANAGEMENT (Continued)

e) Commodity Price Risk

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

10. CAPITAL MANAGEMENT

When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to manage its capital.

The properties in which the Company currently has an interest are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management considers its approach to capital management to be appropriate given the relative size of the Company. The Company is not subject to externally imposed capital requirements.

11. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the six month period ended June 30, 2018, the Company incurred $30,000 (2017- $20,000) in management fees to two officers and directors of the Company.

The Company also incurred a total of $6,000 (2017 - $6,000) in directors' fees to two independent directors.

As at June 30, 2018, $10,000 (December 31, 2017 - $3,500) was owing to the two independent directors and included in accounts payable and accrued liabilities.

12. SUBSEQUENT EVENTS

The Company entered into an agency agreement with Canaccord Genuity Corp. (the "Agent") whereby it is offering on a commercially reasonable best efforts basis to purchasers' resident in British Columbia and Alberta, and elsewhere permitted by applicable law, a minimum of 2,916,666 and a maximum of 3,333,333 common shares (the "Common Shares") of the Company at a price of $0.12 per Common Share for minimum gross proceeds of $350,000 and maximum gross proceeds of $400,000. The offering price was determined by negotiation between the Agent and the Company in accordance with applicable policies of the Canadian Securities Exchange (the "Exchange").

The Agent shall receive a cash commission equal to 9% of the aggregate gross proceeds of the Offering and non-transferable warrants (the "Agent's Warrants") to purchase up to that number of Common Shares in the capital of the Company equal to 9% of the aggregate number of Common Shares sold under this Offering, Each Agents warrant is exercisable to purchase one common share at a price of $0.12 per Common Share for a period of twenty-four months from the date that the Company's common shares are first listed on the Exchange.

In addition, the Company has agreed to reimburse the Agent for all reasonable expenses incurred in connection with this Offering and has provided a retainer of $15,000, from which those expenses are to be deducted with the balance to be paid at Closing. In addition, the Company will pay the Agent a non-refundable corporate finance fee of $22,500.

SCHEDULE "A" - AUDIT COMMITTEE CHARTER

I. MANDATE

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

1. The quality and integrity of the Company's financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Company's independent external auditor (the "Auditor"); and
4. The performance of the Company's internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee shall be comprised of three or more members.

B. Qualifications

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

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

C. Appointment and Removal

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

D. Chair

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

E. Meetings

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

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

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

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

III. DUTIES

A. <u>Introduction</u>

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

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

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

B. Powers and Responsibilities

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

Independence of Auditor

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

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

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

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

Performance & Completion by Auditor of its Work

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

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

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

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

Internal Financial Controls & Operations of the Company

1. Establish procedures for:

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

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

Preparation of Financial Statements

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

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

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

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

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

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

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

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

Public Disclosure by the Company

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

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

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

Manner of Carrying Out its Mandate

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

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

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

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

5. Make regular reports to the Board.

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

7. Annually review the Committee's own performance.

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

9. Not delegate these responsibilities.

C. <u>Limitation of Audit Committee's Role</u>

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

CERTIFICATE OF THE COMPANY

Dated: November 13, 2018

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

"David Ryan" (signed)	*"Logan Anderson" (signed)*
David Ryan Chief Executive Officer and President	Logan Anderson Chief Financial Officer and Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

"Donald Archibald" (signed)	*"Bernie Hoing" (signed)*
Donald Archibald Director	Bernie Hoing Director

CERTIFICATE OF PROMOTERS

Dated: November 13, 2018

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

"David Ryan" (signed)	*"Logan Anderson" (signed)*
David Ryan Promoter	Logan Anderson Promoter

CERTIFICATE OF THE AGENT

Dated: November 13, 2018

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

CANACCORD GENUITY CORP.

"Frank Sullivan" (signed)

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Frank Sullivan
Vice President, Investment Banking

14. Capitalization

14.1 Prepare and file the following chart for each class of securities to be listed:

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	%of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	13,835,000	17,163,333	100.0%	100.0%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	5,106,668	8,106,668	36.91%	47.23%
Total Public Float (A-B)	8,728,332	9,056,665	63.09%	52.77%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	3,700,001	6,700,001	26.74%	39.04%
Total Tradeable Float (A-C)	10,134,999	10,463,332	73.26%	60.96%

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	22	4,893,332
	22	4,893,332

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities	34	34,900
2,000 – 2,999 securities	8	16,000
3,000 – 3,999 securities	4	12,000
4,000 – 4,999 securities	1	4,000
5,000 or more securities	88	3,238,000
Unable to confirm	134	3,294,000

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	7	8,728,332
	7	8,728,332

14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Agent's Option's exercisable at a price of $0.10 per share for two years from the listing date	297,450	297,450
Share purchase warrants exercisable at a price of $0.10 per share for a period ending January 31, 2019	3,000,000	3,000,000

14.3 Provide details of any listed securities reserved for issuance that are not included in section 14.2.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, (full legal name of the Issuer), hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to (full legal name of the Issuer). It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, BC

this 21st day of December, 2018.

"David K. Ryan"

Chief Executive Officer

"Logan Anderson"

Chief Financial Officer

"David K. Ryan"

Promoter (if applicable)

"Donald Archibald"

Director

"Bernie Hoing"

Director