

Rain City Resources Inc.

Table of concordance from Final Prospectus to Form 2A

1.	Table of Contents	iv	
2.	Corporate Structure	9	
3.	General Development of the Business	9	
4.	Narrative Description of the Business	9	
5.	Selected Consolidated Financial Information	28	
6.	Management's Discussion and Analysis	27	
7.	Market for Securities	47	
8.	Consolidated Capitalization	30	
9.	Options to Purchase Securities	31	
10.	Description of the Securities	30	
11.	Escrowed Securities	35	
12.	Principal Shareholders	36	
13.	Directors and Officers	37	
14.	Capitalization	Attached	
15.	Executive Compensation	40	
16.	Indebtedness of Directors and Executive Officers	42	
17.	Risk Factors	47	
18.	Promoters	51	
19.	Legal Proceedings	51	
20.	Interest of Management and Others in Material Transactions	52	
21.	Auditors, Transfer Agents and Registrars	52	
22.	Material Contracts	52	
23.	Interest of Experts	52	
24.	Other Material Facts	None.	
25.	Financial Statements	53	
	APPENDIX A: MINERAL PROJECTS	10	
	APPENDIX B: OIL AND GAS PROJECTS	N/A	
	APPENDIX C: DESCRIPTION OF CERTAIN SECURITIES	N/A	

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

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

**PROSPECTUS
INITIAL PUBLIC OFFERING**

January 24, 2019

RAIN CITY RESOURCES INC.

Suite 200, 551 Howe Street
Vancouver, B.C. V6C 2C2
(604) 683-8610

4,000,000 Common Shares at a price of \$0.10 per Common Share

Public Offering of \$400,000

Rain City Resources Inc. (the "Company") is offering (the "Offering") to purchasers resident in British Columbia and Alberta, and elsewhere permitted by applicable law, through its agent, Canaccord Genuity Corp. (the "Agent") on a commercially reasonable efforts basis, 4,000,000 Common Shares (as defined herein) of the Company at a price of \$0.10 per Common Share gross proceeds of \$400,000. The offering price was determined by negotiation between the Agent and the Company in accordance with applicable policies of the Canadian Securities Exchange (the "Exchange"). See "Plan of Distribution".

	Price to Public⁽¹⁾	Underwriting Discounts or Commission⁽¹⁾	Net Proceeds to the Company⁽²⁾
Per Common Share	\$0.10	\$0.008	\$0.092
Total	\$400,000	\$32,000	\$368,000

Notes:

- (1) The Agent shall receive a cash commission equal to 8% of the aggregate gross proceeds of the Offering (the "Agent's Commission") 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 8% of the aggregate number of Common Shares sold under this Offering at a price of \$0.10 per Common Share for a period of twenty-four months from the 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 \$20,000, from which those expenses are to be deducted with the balance to be paid at Closing, and pay the Agent a non-refundable corporate finance fee of \$25,000 (the "Corporate Finance Fee"). See "Plan of Distribution".
- (2) Before deducting the balance of the costs of the Offering estimated at \$71,000, 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 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 January 24, 2019 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. Consequently, 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 \$400,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the minimum subscription of \$400,000 has been raised. In the event that the minimum subscription is not attained by the end of the period of the Offering, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction.

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

The Company has applied to list its Common Shares on the Exchange. The Exchange has conditionally approved the listing of the Common Shares. Listing of the Common Shares 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 54 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⁾	320,000 Agent's Warrants	24 months from the Listing Date	\$0.10

Note:

(1) The Agent's Warrants are qualified for distribution under this prospectus. See "Plan of Distribution".

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.

**Canaccord Genuity Corp.
Suite 2200, 609 Granville Street
Vancouver, B.C. V7Y 1H2
Telephone: (604) 643-7300
Facsimile: (604) 643-7606**

TABLE OF CONTENTS

GLOSSARY OF DEFINED TERMS	1
GLOSSARY OF GEOLOGICAL DEFINED TERMS.....	3
CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION	7
PROSPECTUS SUMMARY	8
CORPORATE STRUCTURE.....	10
BUSINESS OF THE COMPANY	10
NORTHERN CHAMPION PROPERTY	12
USE OF PROCEEDS.....	40
DIVIDENDS	41
MANAGEMENT’S DISCUSSION AND ANALYSIS.....	41
DESCRIPTION OF THE SECURITIES DISTRIBUTED	45
CONSOLIDATED CAPITALIZATION	46
OPTIONS TO PURCHASE SECURITIES	46
PRIOR SALES.....	47
ESCROWED SECURITIES	47
PRINCIPAL SHAREHOLDERS.....	49
DIRECTORS AND EXECUTIVE OFFICERS	49
EXECUTIVE COMPENSATION	48
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS	55
AUDIT COMMITTEES AND CORPORATE GOVERNANCE.....	55
PLAN OF DISTRIBUTION	58
RISK FACTORS.....	60
PROMOTERS.....	58
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	58
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	59
RELATIONSHIP BETWEEN COMPANY AND AGENT	59
AUDITORS, TRANSFER AGENT AND REGISTRAR	59
MATERIAL CONTRACTS	59
EXPERTS	59
ELIGIBILITY FOR INVESTMENT	65
RIGHTS OF WITHDRAWAL AND RESCISSION	66
FINANCIAL STATEMENTS	66
SCHEDULE “A” - AUDIT COMMITTEE CHARTER.....	67
CERTIFICATE OF THE COMPANY	71
CERTIFICATE OF PROMOTERS	71

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.

“Actlabs”	Activation Laboratories Ltd.
“Agency Agreement”	the agency agreement dated January 24, 2019 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 8% 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 a number of Common Shares equal to 8% of the aggregate number of Common Shares sold under the Offering at a price of \$0.10 per Common Share, exercisable at any time up to the close of business 24 months from the Listing Date.
“ARMM”	the Annual Reports of the Minister of Mines.
“Articles”	the articles of the Company.
“ASC”	Alberta Securities Commission.
“BCA”	the <i>Business Corporations Act</i> (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”	Rain City Resources Inc.
“Corporate Finance Fee”	a non-refundable corporate finance fee of \$25,000 payable to the Agent
“Directors” or “Board” or “Board of Directors”	the board of directors of the Company.
“Escrow Agreement”	the escrow agreement dated January 24, 2019 among the Company, National Issuer Services Ltd. and the holders of the escrowed securities.
“Escrow Securities”	the securities of the Company subject to the terms of the Escrow Agreement.
“Exchange”	the Canadian Securities Exchange.
“FSRs”	the Forest Service Roads.
“Health Safety and Reclamation Code”	the <i>Health, Safety and Reclamation Code</i> (British Columbia).
“IFRIC”	International Financial Reporting Interpretations Committee
“IFRS”	International Financial Reporting Standards.
“Listing Date”	the date on which the Common Shares are listed for trading on the Exchange.
“Mines Act”	the <i>Mines Act</i> (British Columbia).
“Mineral Tenure Act”	the <i>Mineral Tenure Act</i> (British Columbia), as amended, administered by the Mineral Titles Branch of the Ministry of Mining.
“MTO”	Mineral Titles Online.
“NI 43-101”	National Instrument 43-101 – <i>Standards of Disclosure for Mineral Projects</i> .
“Northern Champion Option Agreement”	the agreement dated October 25, 2016, between the Company and the Optionors pursuant to which the Company has the right to acquire from the Optionors up to a one hundred percent (100%) undivided interest in the Northern Champion Property subject to the Royalty.
“Northern Champion Property”	the eight contiguous mineral titles covering approximately 678.59 hectares, located approximately 163 km east-northeast of the City of Vancouver, B.C., in the Similkameen Mining Division.
“NP 46-201”	National Policy 46-201 – <i>Escrow for Initial Public Offerings</i> .
“NSR”	Net Smelter Return.
“Offering”	the offering of 4,000,000 Common Shares at a price of \$0.10 per Common Share pursuant to this prospectus.
“Optionors”	means Rich River Exploration Ltd. and Craig A. Lynes.

“Qualified Person”	Don MacIntyre, Ph.D, P. Eng., author of the Technical Report.
“RDSP”	Registered Disability Savings Plan.
“RESP”	Registered Education Savings Plan.
“Royalty”	The 3% net smelter royalty retained by the Optionors on the Northern Champion Property on commercial production.
“RRIF”	Registered Retirement Income Fund.
“RRSP”	Registered Retirement Savings Plan.
“SEDAR”	System for Electronic Document Analysis and Retrieval.
“Stock Option Plan”	The stock option plan adopted by the Directors on July 31, 2018.
“Technical Report”	the report titled “Technical Report on the Northern Champion Mineral Property”, dated effective September 17, 2018, and revised on December 10, 2018, which was prepared by the Qualified Person, under the guidelines of NI 43-101.
“TFSA”	Tax Free Savings Account.

GLOSSARY OF GEOLOGICAL DEFINED TERMS

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

Conversion Factors

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

“Adit”	An adit (from Latin aditus, entrance) is an entrance to an underground mine which is horizontal or nearly horizontal, by which the mine can be entered, drained of water, ventilated, and minerals extracted at the lowest convenient level. Adits are also used in mineral exploration.
“Arenaceous”	Consisting of sand or sandlike particles.
“Argillite”	A sedimentary rock that does not split easily, formed from consolidated clay.
“Ag”	Silver.
“As”	Arsenic.
“Axial”	The plane or surface that divides the fold as symmetrically as possible.
“Au”	Gold.
“Carbonate”	A carbonate is a salt of carbonic acid.
“Cambrian”	The first geological period of the Paleozoic Era, of the Phanerozoic Eon. The Cambrian lasted 55.6 million years from the end of the preceding Ediacaran Period 541 million years ago to the beginning of the Ordovician Period 485.4 million years ago.
“Chip Sample”	A regular series of ore chips or rock chips taken either in a continuous line across an exposure or at uniformly spaced intervals.
“Chlorite”	A very common green mica mineral, usually found as a low grade hydrothermal or metamorphic alteration product.
“Comby”	Resembling a comb in structure.
“Cu”	Copper.
“Diabase”	A dark-colored igneous rock. It is compositionally equivalent to gabbro and basalt but texturally between them.
“Devonian”	Geologic period and system of the Paleozoic, spanning 60 million years from the end of the Silurian, 419.2 million years ago, to the beginning of the Carboniferous, 358.9 million years ago.
“Fault”	A planar fracture or discontinuity in a volume of rock, across which there has been displacement.
“Flow”	A type of landslide in which the distribution of particle velocities resembles that of a viscous fluid is called a flow.
“g/t”	Grams per tonne.
“Galena”	The natural mineral form of lead sulfide. It is the most important ore of lead and an important source of silver.
“Grab Sample”	Several rock pieces collected to represent a certain lithology, mineral type or alteration style. Used in connection with examination of the characteristic minerals in the deposit rather than for valuation.
“Granodiorite”	a variety of coarse grained plutonic rock similar to granite which mineralogically are composed predominately of feldspar and quartz.
“Graphite”	A hexagonal, black-grey soft native carbon mineral. Graphite conducts electricity well, is immune to most acids and is extremely refractory.
“Greenschist”	Metamorphic rocks that formed under the lowest temperatures and pressures usually produced by regional metamorphism, commonly having an abundance of green minerals.
“Grit”	A hard, coarse-grained, siliceous sandstone.

“Hydrothermal”	Relating to or denoting the action of heated water in the earth's crust.
“ICP-ES”	Inductively Coupled Plasma Emission Spectrometer. A type of emission spectrometry used to conduct major element and some trace element analyses of rocks, sediments, and water samples.
“ICP-MS”	Inductively coupled plasma mass spectrometry. A type of mass spectrometry which is capable of detecting metals and several non-metals at concentrations as low as one part in 10 ¹⁵ (part per quadrillion, ppq) on non-interfered low-background isotopes.
“Isoclinal”	Denoting a fold of strata so acute that the two limbs are parallel.
“LiDar”	Light Detection and Ranging. A remote sensing method that uses light in the form of a pulsed laser to measure ranges (variable distances) to the Earth, used to produce detailed ground/base maps.
“Limestone”	A class of rocks containing at least 80% of the carbonates of calcium or magnesium.
“Lithology”	A description of a rock's physical characteristics visible at outcrop, in hand or core samples or with low magnification microscopy, such as colour, texture, grain size, or composition.
“Mafic”	An adjective describing an igneous rock consisting largely of dark coloured minerals such as magnesium and iron.
“NQ”	Common drill core size of approximately 47.6 mm in diameter.
“Nugget Effect” or “Nuggety”	Erratic precious metal assays resulting from the analysis of samples that may not adequately represent the composition of the bulk material tested due to non-uniform distribution of coarse gold grains in the material to be sampled.
“Ore”	The naturally occurring material from which a mineral or minerals of economic value can be extracted profitably or to satisfy social or political objectives.
“Orogenic”	The process of mountain formation, especially by a folding and faulting of the Earth's crust.
“Orogenic Gold Deposits”	Gold-bearing hydrothermal quartz veins that are emplaced over a unique depth range, with gold deposition from 15–20 km to the near surface environment.
“Outcrop”	A visible exposure of bedrock or ancient superficial deposits on the surface of the Earth.
“ppb”	Parts per billion.
“ppm”	Parts per million.
“Paleozoic”	A major interval of geologic time that began 541 million years ago with the Cambrian explosion, an extraordinary diversification of marine animals, and ended about 252 million years ago with the end-Permian extinction, the greatest extinction event in Earth history.
“Pb”	Lead.
“Phyllite”	Fine-grained metamorphic rock formed by the reconstitution of fine-grained, parent sedimentary rocks, such as mudstones or shale.
“Quartz”	One of the most abundant minerals in the earth's crust, whose composition is silicon dioxide.
“Rim”	A mineral shell enclosing another mineral in an igneous rock, formed by reaction of the interned mineral with the surrounding rock.
“Sedimentary”	Types of rock that are formed by the deposition and subsequent cementation of that material at the Earth's surface and within bodies of water.
“Schist”	A strongly foliated crystalline rock, formed by dynamic metamorphism, that can be readily split into thin flakes or slabs due to the well-developed parallelism of more than 50% of the minerals present, particularly those of lamellar or elongate prismatic habit.
“Sericite”	A fine-grained fibrous variety of muscovite formed by the alteration of feldspar, found chiefly in schist and in hydrothermally altered rock.
“Shale”	A fine-grained, clastic sedimentary rock composed of mud that is a mix of flakes of clay minerals and tiny fragments (silt-sized particles) of other minerals, especially quartz and calcite.
“Siltstone”	A fine-grained sedimentary rock consisting of consolidated silt.
“Soil Sampling”	Taking samples of surficial unconsolidated material, between the humus layer and bedrock.
“Stockwork”	A complex system of structurally controlled or randomly oriented veins.
“Stratigraphy”	The study of stratified rocks, especially their sequence in time and correlation in different areas.
“Survey”	The orderly and exacting process of examining and delineating the physical or chemical characteristics of the Earth's surface, subsurface, or internal constitution by topographic, geologic, geophysical, or geochemical measurements.
“Tuff”	A general term for all consolidated pyroclastic rocks generally containing fragments of less than 2mm in diameter. Often well bedded when deposited in water.
“TUC”	The Tulameen ultramafic complex.

- “Vein”** A tabular or sheet-like body of minerals which has been intruded into a joint or fissure in rocks. Most veins are directly or indirectly related to solutions formed by igneous events and have main constituents of quartz and/or carbonate.
- “VLF-EM”** Very low frequency electromagnetic method, which enables surveying without contact with the ground, is suitable for ground surveys in a wide area and has been used in mapping geology for decades. The survey identifies conductive signatures in the ground.
- “Volcanic”** A rock formed from magma erupted from a volcano.
- “Vug”** A cavity in rock, sometimes lined with mineral crystals.

CURRENCY

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

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

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

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

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, and competitive uncertainties; lack of production; limited operating history of the Company; the actual results of current exploration activities; ability to obtain prospecting licenses or permits; aboriginal land claims; proper title to the claim that comprises the Northern Champion 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 may be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this prospectus. See “Risk Factors”.

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

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

PROSPECTUS SUMMARY

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

The Company

Rain City Resources Inc. (previously defined as the “Company”) was incorporated in British Columbia on June 23, 2015. To date, the Company has been engaged in the acquisition of its mineral property located in British Columbia, Canada. Pursuant to the Northern Champion Option Agreement, the Company currently has an option to acquire a one hundred percent (100%) undivided interest in the Northern Champion Property situated approximately 5 kilometres north of the City of Keremeos, British Columbia.

The Northern Champion Property is comprised of eight mineral titles covering approximately 678.59 hectares and is located in the Simikameen Mining Division of British Columbia. See “Business of the Company” and “Northern Champion Property”.

The Offering

Offering: The Company is offering 4,000,000 Common Shares at a price of \$0.10 per Common Share for 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 8% 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 Common Shares equal to 8% of the aggregate number of Common Shares sold under the Offering at a price of \$0.10 per Common Share for a period of 24 months following the Listing Date. The Company has also agreed to pay to the Agent a Corporate Finance Fee of \$25,000 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 Offering, after deducting the estimated balance of the expenses of the Offering of \$71,000 and the Agent’s Commission of \$32,000, will be \$297,000 and will be used to implement Phase 1 of the recommended work program on the Northern Champion Property, to pay the Optionors the next installment pursuant to the Northern Champion Option Agreement and for general working capital. As at December 31, 2018, the Company had a working capital deficit of \$87,041. Accordingly, the Company anticipates on having available funds of approximately \$209,959 following Closing of the Offering. See “Use of Proceeds”.

Risk Factors

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

Selected Financial Information

The following table summarizes selected financial information for fiscal years ended September 30, 2018, 2017 and 2016 and should be read in conjunction with the audited financial statements for fiscal years ended September 30, 2018, 2017 and 2016 and the “Management’s Discussion and Analysis”, as included elsewhere in this prospectus.

	Year ended September 30, 2018 (audited)	Year ended September 30, 2017 (audited)	Year ended September 30, 2016 (audited)
Revenue	\$ -	\$ -	\$ -
Net income (Loss)	(57,031)	(14,911)	(37,500)
Income (Loss) per share (basic and diluted)	(0.01)	(0.00)	(0.01)
Working capital surplus (deficit)	(55,854)	4,177	-
Assets			
Current assets	10,969	32,738	-
Exploration and evaluation assets	83,413	83,413	-
Total Assets	114,382	116,151	-
Liabilities			
Current liabilities	66,823	28,561	-
Shareholders’ equity (deficit)	47,559	87,590	-
Total liabilities and shareholders’ equity	\$ 114,382	\$ 116,151	\$ -

CORPORATE STRUCTURE

The Company was incorporated under the *Business Corporations Act* (British Columbia) on June 23, 2015, with the name Rain City Resources Inc.

The Company's head office is located at Suite 200, 551 Howe Street, Vancouver, B.C. V6C 2C2 and its registered office is located at Suite 704, 595 Howe Street, Vancouver, B.C. V6C 2T5.

The Company does not have any subsidiaries.

BUSINESS OF THE COMPANY

Description of Business

The Company is engaged in the acquisition and exploration of mineral properties. The Company currently has an option to acquire a one hundred percent (100%) undivided interest in the Northern Champion Property. The Northern Champion Property is eight mineral titles covering approximately 678.59 hectares and is located in the Simikameen Mining Division of British Columbia situated approximately 11.7 Kilometers eastnortheast of the community of Tulameen, B.C. The Company's exploration program will be primarily focused on base, rare earth elements, precious metals and gems exploration.

Three Year History

Since incorporation on June 23, 2015, the Company's activities have focused on the acquisition and exploration of the Northern Champion Property.

Acquisition of the Northern Champion Property

On October 25, 2016, the Company entered into the Northern Champion Option Agreement, as amended, with the Optionors whereby the Optionors granted the Company an option to acquire a 100% undivided interest in the Northern Champion Property. In order for the Company to exercise its option, it will be required to:

- (a) pay to the Optionors an aggregate of \$130,000 and complete \$650,000 worth of work as follows:
 - (i) \$5,000 upon execution of the Northern Champion Option Agreement (which amount has been paid); and \$75,000 worth of work in the first year;
 - (ii) a further \$5,000 upon the date of the Company's listing;
 - (iii) a further \$10,000 on or before the first anniversary of listing and \$75,000 worth of work on the Northern Champion Property;
 - (iv) a further \$20,000 on or before the second anniversary of listing and \$100,000 worth of work on the Northern Champion Property;
 - (v) a further \$40,000 on or before the second anniversary of listing and \$200,000 worth of work on the Northern Champion Property;
 - (vi) a further \$50,000 on or before the second anniversary of listing and \$200,000 worth of work on the Northern Champion Property; and
- (b) issue to the Optionors an aggregate of 700,000 Common Shares as follows:
 - (i) 100,000 Common Shares on date of the Company's listing;
 - (ii) a further 100,000 Common Shares on or before the first anniversary of listing;
 - (iii) a further 100,000 Common Shares on or before the second anniversary of listing;
 - (iv) a further 200,000 Common Shares on or before the third anniversary of listing; and

- (v) a further 200,000 Common Shares on or before the fourth anniversary of listing.

Once the Company has fulfilled all of the requirements in the above paragraphs, then it shall be deemed to have earned a 100% undivided interest in the Northern Champion Property, subject only to a 3% NSR royalty (the “Royalty”) on the Northern Champion Property on all base, rare earth elements, precious metals and gems on commercial production of the Northern Champion Property. The Company may purchase the first 1% of the Royalty by paying the Optionors \$750,000 and the final 2% Royalty by paying the Optionors an additional \$1,000,000.

Government Mining Regulations

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

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

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

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

Employees

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

Competitive Conditions

There is significant competition for the acquisition of promising mineral 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.

Trends

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”.

NORTHERN CHAMPION PROPERTY

The following represents information summarized from the Technical Report on the Northern Champion Property dated effective September 17, 2018 and revised on December 10, 2018 (previously defined as the “Technical Report”), prepared by Don MacIntyre, Ph.D., P. Eng. (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.

Northern Champion Property Map



Figure 1. General location map, Northern Champion Property, south central British Columbia.

Property Description and Location

The Northern Champion Property is located approximately 163 kilometres east-northeast of the city of Vancouver and 29 kilometres west-northwest of the town of Princeton in southern British Columbia, Canada (Figures 1 and 2). The Northern Champion Property

is road accessible via the Tulameen River road. The Qualified Person is not aware of any restrictions to access or other factors that could affect the ability to perform work on the Northern Champion Property. The Northern Champion Property is on Crown Land and is open to mineral exploration providing a Notice of Work is filed with the Province of British Columbia for any physical disturbances and providing that local First Nations are consulted.

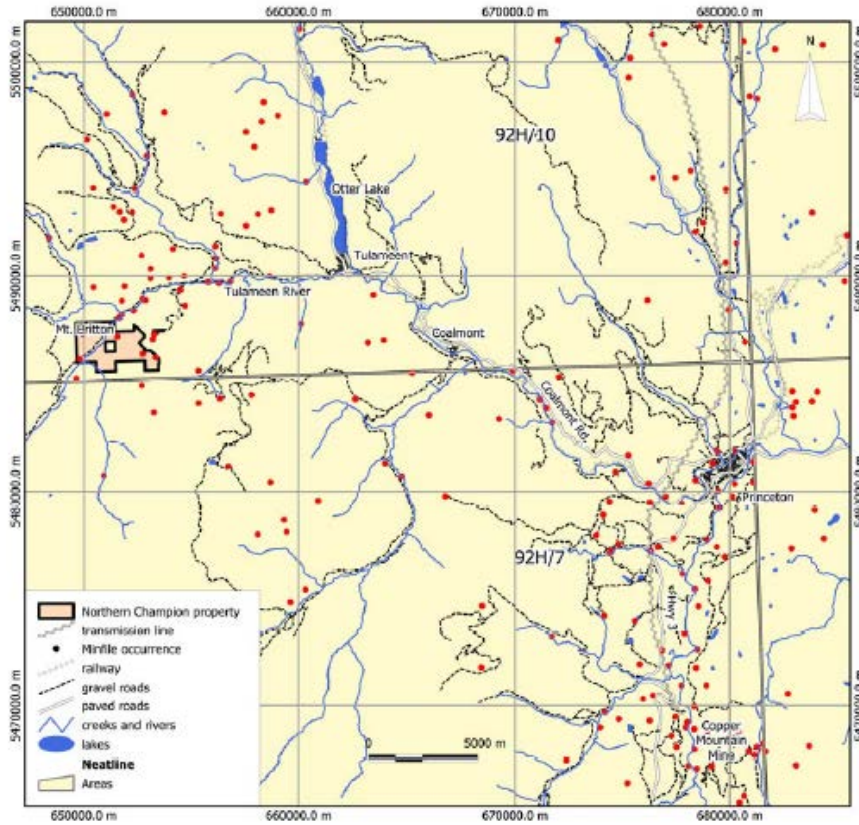


Figure 2. Detailed location and infrastructure map, Northern Champion Property. Map prepared by D.G. MacIntyre, April 2017.

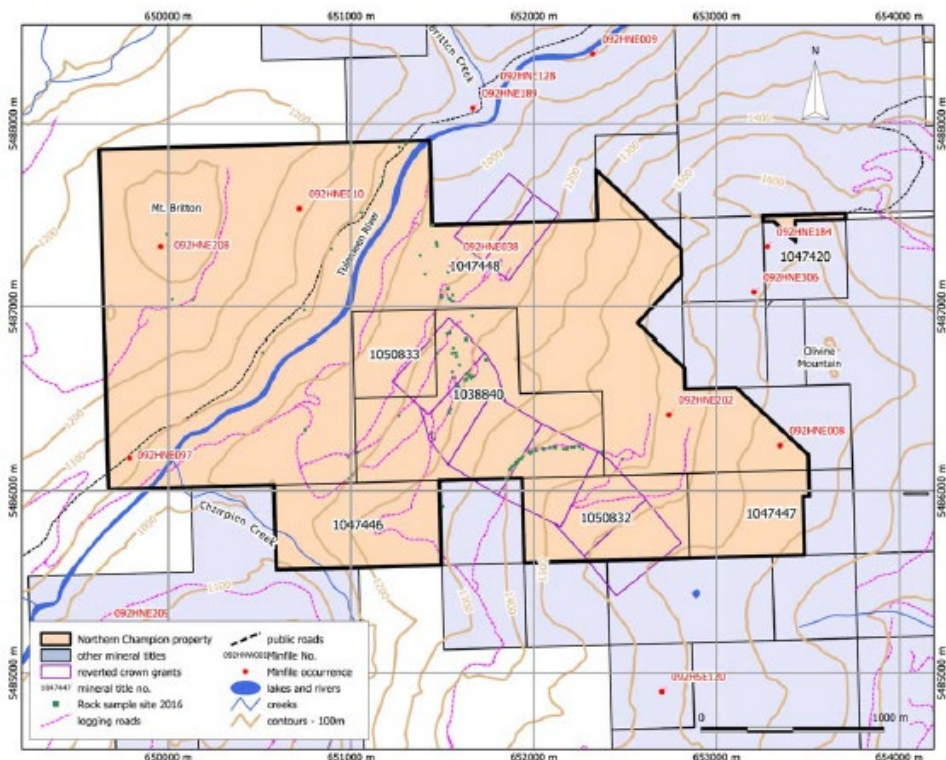


Figure 3. Mineral title map, Northern Champion Property. Map prepared by D.G. MacIntyre using Mineral Titles Online geospatial data. Data current as of April 10, 2017.

On October 25, 2016, the Company entered into the Northern Champion Option Agreement, as amended, with the Optionors whereby the Optionors granted the Company an option to acquire a 100% undivided interest in the Northern Champion Property. In order for the Company to exercise its option, it will be required to:

- (a) pay to the Optionors an aggregate of \$130,000 and complete \$650,000 worth of exploration expenditures as follows:
 - (i) \$5,000 upon execution of the Northern Champion Option Agreement (which amount has been paid); and \$75,000 worth of work in the first year;
 - (ii) a further \$5,000 upon the date of the Company's listing;
 - (iii) a further \$10,000 on or before the first anniversary of listing and \$75,000 worth of exploration expenditures on the Northern Champion Property;
 - (iv) a further \$20,000 on or before the second anniversary of listing and \$100,000 worth of exploration expenditures on the Northern Champion Property;
 - (v) a further \$40,000 on or before the second anniversary of listing and \$200,000 worth of exploration expenditures on the Northern Champion Property;
 - (vi) a further \$50,000 on or before the second anniversary of listing and \$200,000 worth of exploration expenditures on the Northern Champion Property; and
- (b) issue to the Optionors an aggregate of 700,000 Common Shares as follows:
 - (i) 100,000 Common Shares on date of the Company's listing;
 - (ii) a further 100,000 Common Shares on or before the first anniversary of listing;
 - (iii) a further 100,000 Common Shares on or before the second anniversary of listing;
 - (iv) a further 200,000 Common Shares on or before the third anniversary of listing; and
 - (v) a further 200,000 Common Shares on or before the fourth anniversary of listing.

Once the Company has fulfilled all of the requirements in the above paragraphs, then it shall be deemed to have earned a 100% undivided interest in the Northern Champion Property, subject only to a 3% NSR Royalty on the Northern Champion Property on all base, rare earth elements, precious metals and gems. The Company may purchase the first 1% of the Royalty by paying the Optionors \$750,000 and the final 2% of the Royalty by paying the Optionors an additional \$1,000,000.

To date, the Company has incurred \$78,413 in exploration expenditures on the Northern Champion Property.

Mineral Titles

Data obtained from Mineral Titles Online (“MTO”) indicates that the Northern Champion Property consists of 8 contiguous mineral titles covering a total area of approximately 734.15 hectares. However, the Northern Champion Property partially overlaps pre-existing mineral titles that are still in good standing and when the area of overlap is subtracted, the total area of the Northern Champion Property is reduced to 678.59 hectares. The Northern Champion Property straddles the Tulameen River and the Tulameen River Road and is centered approximately 11.7 kilometres eastnortheast of the community of Tulameen. The Northern Champion Property is located in the Similkameen Mining District of south central British Columbia, Canada.

Details of the status of title ownership for the Northern Champion Property were obtained from the MTO database managed by the Mineral Titles Branch of the Province of British Columbia. All mineral titles located after February, 2005 were acquired online using a grid cell selection system. Title boundaries are based on lines of latitude and longitude. There is no requirement to mark title boundaries on the ground as these can be determined using a Global Positioning System (GPS). The Northern Champion mineral titles were acquired after 2005 and therefore do not need to be surveyed.

The mineral titles comprising the Northern Champion Property are shown in Figure 3 and listed in Table 1. The mineral titles map was generated from Geographic Information System (GIS) spatial data downloaded from the Province of B.C. GeoBC website. These spatial layers are the same as those incorporated into the MTO electronic staking system that is used to locate and record mineral titles in British Columbia. The information presented is current as of April 10, 2017.

Mineral title details given in the table below were obtained using an online mineral title search engine available on the MTO web site. The Northern Champion Property is located in the Similkameen Mining Division, on NTS map sheet 92H/10.

Title Number	Claim Name	Good To Date	Area (ha)*
1038840	OLIVINE	2025/JUL/01	83.91
1047446	THE CHAMP	2025/JUL/01	41.96
1047447	OLIVINE GREEN	2025/JUL/01	41.96
1047448	NORTHERN CHAMPION	2025/JUL/01	461.43
1050832	OLIVINE II	2019/MAR/17	41.96
1050833	GREEN OLIVE	2019/MAR/17	20.98
1051401	OLIVE GREEN III	2019/APR/14	20.98
1047445	NORTH OLIVINE	2025/JUL/01	20.97
			734.15

Table 1. List of Mineral Titles, Northern Champion Property, September 17, 2018

The total area of the mineral titles listed do not overlap pre-existing mineral titles that are still in good standing is 678.59 hectares. The non-overlap mineral title areas were determined using the Manifold GIS clipping function which produced the mineral title polygons shown above.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

The Northern Champion Property can be accessed by driving a paved road (Coalmont Road) from Princeton to Tulameen, a distance of 27 kilometres, and then continuing west on the narrow but well maintained Tulameen River Road for another 15.6 kilometres to a junction that to a number of active Forest Service Roads (“FSRs”). Access to the southern part of the Northern Champion Property

is gained by turning right at this junction and following a well-maintained FSR that crosses the Tulameen River and connects with a network of secondary forestry roads on the southeast side of the river. These forestry roads provided access to the area sampled in 2016.

Climate and Vegetation

The climate in the vicinity of the Northern Champion Property is typical of southern B.C. interior mountainous areas with moderate winters and warm, semi-arid summers. The region experiences moderate precipitation (356 mm per year) due to being located on the lee side of the Cascade Mountains. Snow covers higher elevations starting in November and lasts until late May. There is usually only a light snow cover that averages 22 centimetres but heavier snowfalls have also been recorded. The seasonal snow melt reaches its climax in June and July resulting in high water levels in creeks and rivers. In a typical year, starting with the month of August, the water levels on most creeks have dropped to a point where they can be crossed without danger. With appropriate bridge construction and road maintenance there is no reason to believe that a mine could not operate a full 365 days of the year in the Tulameen River area. Although exploration can be conducted on the Northern Champion Property at any time during the year, the summer months have the least challenges in terms of keeping the main access road open.

The Northern Champion Property is partially covered by mature fir forests usually developed on glacial till. Extensive logging has occurred southeast of the Tulameen River. Elsewhere, lower elevations are sometimes covered by dense second growth forests. A few types of plants that are specific to 'serpentine soils' have developed on the ultramafic rocks of the Tulameen Ultramafic Complex.

Local Resources

Mining and the forest industry are mainstays of the local economy. Supplies to sustain such operations are readily available in Princeton, a town of approximately 2,800 people. There are three mining operations in the area. The important Copper Mountain Mine is located 14 kilometres south of Princeton, the Basin Coal Mine is located 9 kilometres south of Coalmont on the Blakeburn Forestry Road and the Treasure Mountain silver-base metals mine is located about 17 kilometres southwest of the Northern Champion Property.

Infrastructure

The Northern Champion Property is well situated with regard to local logging road infrastructure. Adequate fresh water for a mining operation could be drawn from the Tulameen River and its tributaries. There is a hydro transmission line located approximately 12 east-northeast of the Northern Champion Property at the community of Tulameen (Figure 2).

Physiography

The Northern Champion Property is located in a transition zone between the Cascade Mountains to the west and the Interior Plateau to the east. On the Northern Champion Property the elevations range from just over 900 metres down in the Tulameen River valley to just over 1,700 metres in the southeast corner of the property. The tops of the mountains are rounded by weathering and glaciation. Glacial till covers many mountain slopes. Massive outcrops with little or no soil development, talus slopes and fluvial terraces occur on the steeper mountain slopes and in the canyon of the Tulameen River.

The Tulameen River flows northeastward from the Cascade Mountains for 30 kilometres to the town of Tulameen. The upper part of the river runs through a wide valley extending from its headwaters in Paradise Valley southward to Champion Creek. The river continues through a narrow rock-walled canyon between Grasshopper and Olivine Mountains to the mouth of Olivine (Slate) Creek.

History

The following description of the history of the area is modified from a B.C. Ministry of Mines assessment reports by Oancea (2013) and Yeomans (2014). Most of the British Columbia records of production come from the Annual Reports of the Minister of Mines (ARMM). Gold was first discovered in the Similkameen region in 1853 by George B. McClellan but the 1861 discovery of gold in the Cariboo region of British Columbia caused most of the placer miners to leave the poorer diggings on the Similkameen for the prospect of new riches. The first record of placer mining in the area was recorded in 1860, at the Blackfoot Camp on the Similkameen River, 11 kilometres south of Princeton. In the period from 1885 to 1950, some 42,719 ounces of gold were reported as being produced in the Similkameen Mining Division. It is estimated that a total of 20,000 ounces of platinum was placer mined in the region in the period prior to 1905.

Gold and platinum deposits have been found over the lower 40 kilometres of the Tulameen River. Most recorded production and exploration has occurred along two stretches. The upper stretch begins about 2 kilometres west of Tulameen and continues up the river for 12 kilometres to the mouth of Champion Creek. The lower stretch begins at Coalmont, just above the mouth of Granite

Creek, and continues southeast for 19 kilometres to Princeton. There are no records for the placer mining activity that took place before 1885 as many of the miners used to ship the gold out of the country without paying taxes. There is even less information on the quantity of platinum produced in the region as it was usually shipped and sold out of the province. The records after 1885 are 'reasonably complete' (Holland, 1950).

In 1885, cowboy Johnny Chance discovered gold nuggets in the Tulameen River next to the confluence with Granite Creek, which is Tulameen's southern tributary. Large quantities of gold were subsequently found not only on Granite Creek but also on the Tulameen River and many of its southern tributaries. A city was founded at the confluence of Granite Creek with the Tulameen River. Granite City boasted a population of over 700 people and was a typical city for the gold rush era. Early placer miners noticed the association of gold with a heavy whitish metal but not recognizing it as platinum they initially discarded it. However, by 1891, the Tulameen mining district was considered to be one of the most important producers of platinum in North America.

Production of placer gold was first reported in 1877, and may have commenced as early as 1860. By 1887, most of the shallower gravel deposits mined along the Tulameen River are reported to be exhausted (ARMM 1887). In 1890, over 100 people were reportedly mining the Tulameen River by employing rudimentary methods (rockers). Even so during that year a miner is reported to have recovered 40 ounces of platinum from the river (ARMM 1890). A few operators along the upper section persisted through the early 1900's. One operation on the Schubert lease, 10 kilometres up river from Tulameen, is reported to have recovered 620 grams of gold and also some platinum from 1500 cubic metres of gravel (ARMM 1916). The community of Tulameen had developed during the same years, while the community of Coalmont was founded in 1912 when the gold rush subsided and the development of local coal deposits started.

High platinum prices during World War I and the 1920's prompted a revival of placer mining along both the upper and lower sections of the river. Several deposits saw significant production during this time on the upper part of the river. The Sootheran lease, 1 kilometre below Britton (Eagle) Creek, operated intermittently between 1925 and 1947, producing 3920 grams of platinum and 530 grams gold between 1926 and 1928. Big Bend Platinum Gold Mining Company Ltd. produced 280 grams of gold and 930 grams of platinum from the J. Marks lease, 10 kilometres upstream from Tulameen (ARMM 1928).

Sporadic exploration and production occurred during the 1950s, 1960s and 1970s, mostly below the canyon, between Olivine Creek and the town of Tulameen. Crude gold production for the entire river between 1885 and 1945 is estimated at 297,000 grams (9,548 ounces).

Approximately 2.2 kilometres of the Tulameen River downstream from its confluence with Champion Creek is covered by the Northern Champion Property. On this section the gold to platinum ratio was 1:1 but usually close to the mouth of Britton Creek more platinum had been recovered than gold.

In general placer mining activities on the Tulameen River have been concentrated on areas endowed with thinner alluvium (gravels) or on higher elevation benches. This was also characteristic for the narrow rock walled canyon area located on the Northern Champion Property. Areas where the Tulameen valley was wider display thicker but poorer gravels that have never been worked for gold or platinum (Camsel, 1913).

Kemp (1902) noted that the larger platinum nuggets found in the river are associated with chromite, olivine and pyroxenes. He was the first to propose that placer platinum was derived from ultramafic rocks that outcrop in an area cut by the river and which coincided with the richest platinum placers.

Important contributions to understanding the geology of the Tulameen Ultramafic Complex ("TUM") and its hosted mineralization were brought by Camsell (1913), O'Neill and Gunning (1934), Findlay (1969), Mertie (1969), St. Louis (1982), St. Louis et al. (1986) and Nixon (1988, 1990, 1990a).

The platiniferous dunite rocks of the Tulameen Ultramafic Complex continued to attract the attention of numerous explorers. Explorers with notable finds include Imperial Metals (1984-1986), Newmont Exploration (1986), Longreach Resources Ltd. (1987-1988) and Dia Met Minerals (1986-1989).

The industrial mineral potential for olivine was the focus of research done by CANMET in the early 1980s. Further evaluation was done by G.V. White in 1986 (White, 1987) and K.D. Hancock in 1991 (Hancock et. al, 1991). Dia Met Minerals Ltd., using the CANMET data focused on the industrial mineral potential for olivine in the area immediately northeast of the confluence of Britton Creek with the Tulameen River. This area was tested by diamond drilling during the period from 1986 to 1989. Dia Met also re-sampled the area studied by CANMET and, on the basis of this data, thirty-one (31) percussion drill holes totalling 1,411 metres were completed. This work outlined a zone of potential economic interest for olivine that extended to a depth of 170 meters, with a surface dimension of 105 meters by 270 meters along the north side of the Tulameen River within the dunite core of the Tulameen Ultramafic complex.

Dia Met crews also conducted a soil orientation survey on the Chapman property. Following the orientation survey, an additional 52 soil samples were collected and assayed at Bondar Clegg for Pt-Pd and Au. A heavy mineral survey utilizing “The Fipke Method” was conducted at 16 sites at depths from 100 to 150 cm from glaciofluvial, talus and stream sediment sites on the claims. Seventy-eight chip channel rock samples were also collected and assayed for Pt, Pd, Cr and Au (Schiller, 1987).

In 1992, Geoterrain Consultants compiled and evaluated all of the Dia Met data and conducted reconnaissance terrain mapping and analysis of preglacial, glacial and postglacial deposits and geologic history to provide a framework for interpretation of geochemical results and future work on the claims. This work was done on behalf of R. Chapman. Part of this evaluation involved a silt sampling program of north flowing creeks draining into the Tulameen River between Champion and Britton Creeks. Part of this survey area is covered by mineral titles 1047448 and 1038840 of the Northern Champion Property (Figure 4). Several samples contained anomalous Pt concentrations, the highest value being 1327 ppb.

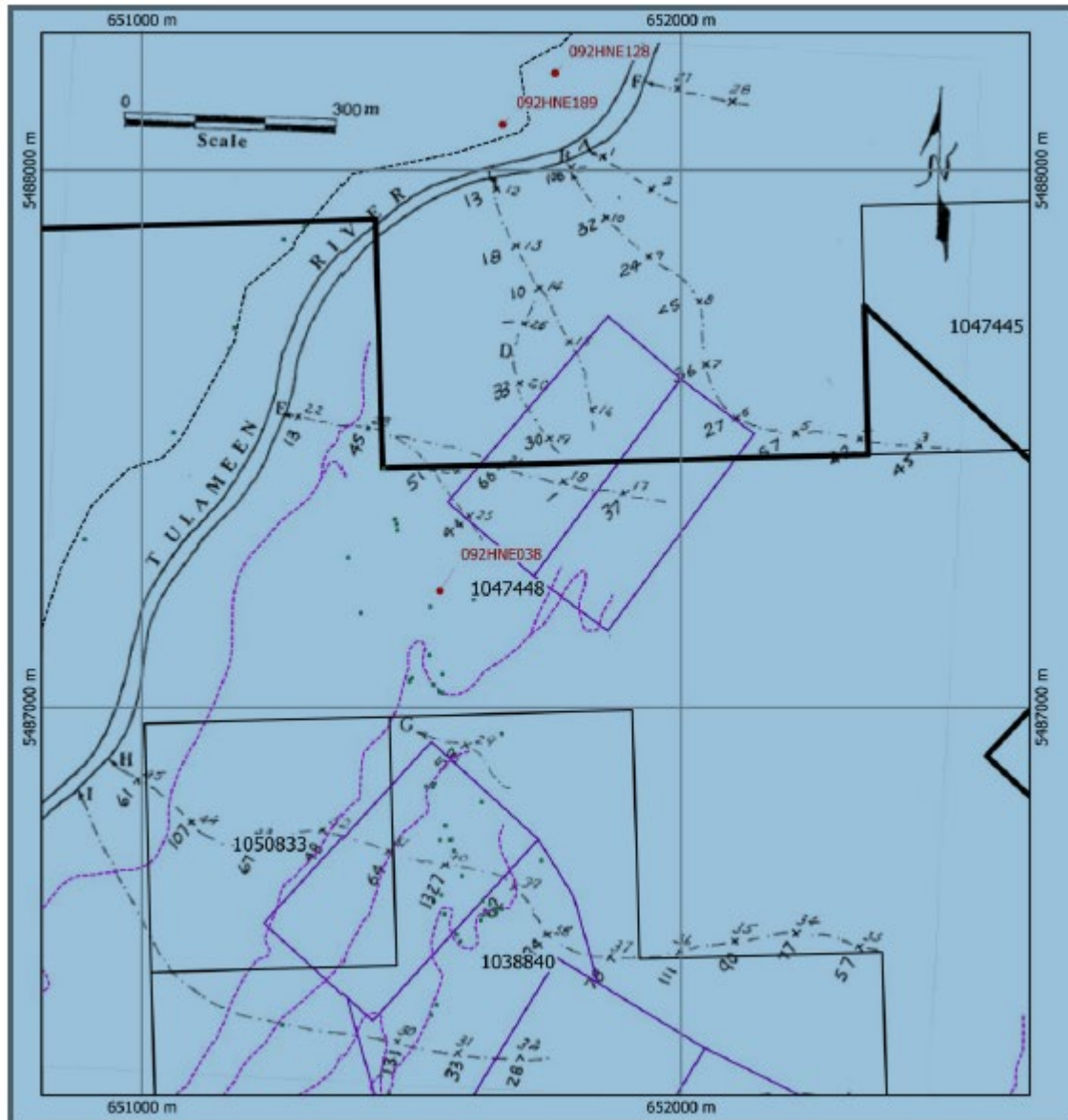


Figure 4. Sketch map showing the approximate location of 1992 stream sediment samples and values for Pt in ppb (Roed, 1992). Also shown are the current boundaries of the Northern Champion mineral titles, reverted crown grants (purple outline) and location of 2016 rock samples.

The mineral sequestration of carbon dioxide (CO₂) potential of the Tulameen olivine rich dunite rocks has also been studied since the early 2000s (Voormeig, 2001) and the test results proved that the rock represents a suitable candidate for mineral carbonation (Oancea, 2013).

In June and October 2014, a numbered company, 6372347 B.C. Ltd. collected and assayed 60 rock samples from the Chapman Claims (Yeomans, 2014) in two separate areas. The area sampled in June 2014 is now covered by mineral title 1047447 of the Northern Champion Property. Unfortunately samples collected from this area (13 samples) were not analyzed for Platinum Group Elements (PGE). A second area approximately 500 metres to the north was sampled in October 2014 (47 rock samples). These samples were analyzed for PGE and the results demonstrated that the central dunite core of the Tulameen ultramafic complex contains elevated platinum values, and is probably the source for historical platinum placer deposits located downstream from Olivine Mountain on the Tulameen River. Grab samples ranging up to 0.368 g/t Pt were obtained during the October 2014 sampling program, with many additional samples ranging in the 0.10 g/t to 0.20 g/t Pt range.

Geological Setting and Mineralization

The following descriptions of Regional and Property geology are modified from a B.C. Ministry of Energy and Mines assessment report by Yeomans (2014). This Technical Report describes the geology and results of sampling on the Chapman claim group which covered the area of the current Property back in 2014. The regional tectonic and geologic setting of the Tulameen area is shown on Figures 5 and 6. The source of this geologic information is Nixon and Rublee (1988). The Qualified Person is confident this mapping was done to a very high standard and is the best source of current geologic information for the area covered by the Northern Champion Property.

Regional Geology and Local Geology

The Northern Champion Property covers part of the western boundary of the Tulameen Ultramafic complex. Nixon and Rublee (1988) have reported that Alaskan-type ultramafic complexes such as the Tulameen are potential hosts for exploitable deposits of platinum metals. The Tulameen ultramafic complex is situated immediately east of the boundary between the Mount Lytton complex and the Quenellia tectonostratigraphic terrane, and is situated within the southwestern Intermontane Belt of southern B.C. (Figure 5). This part of British Columbia has been subjected to Early tertiary “transtensional” block faulting related to regional right-lateral transform movement that has taken place along the Fraser River – Straight Creek fault system (Monger, 1985).

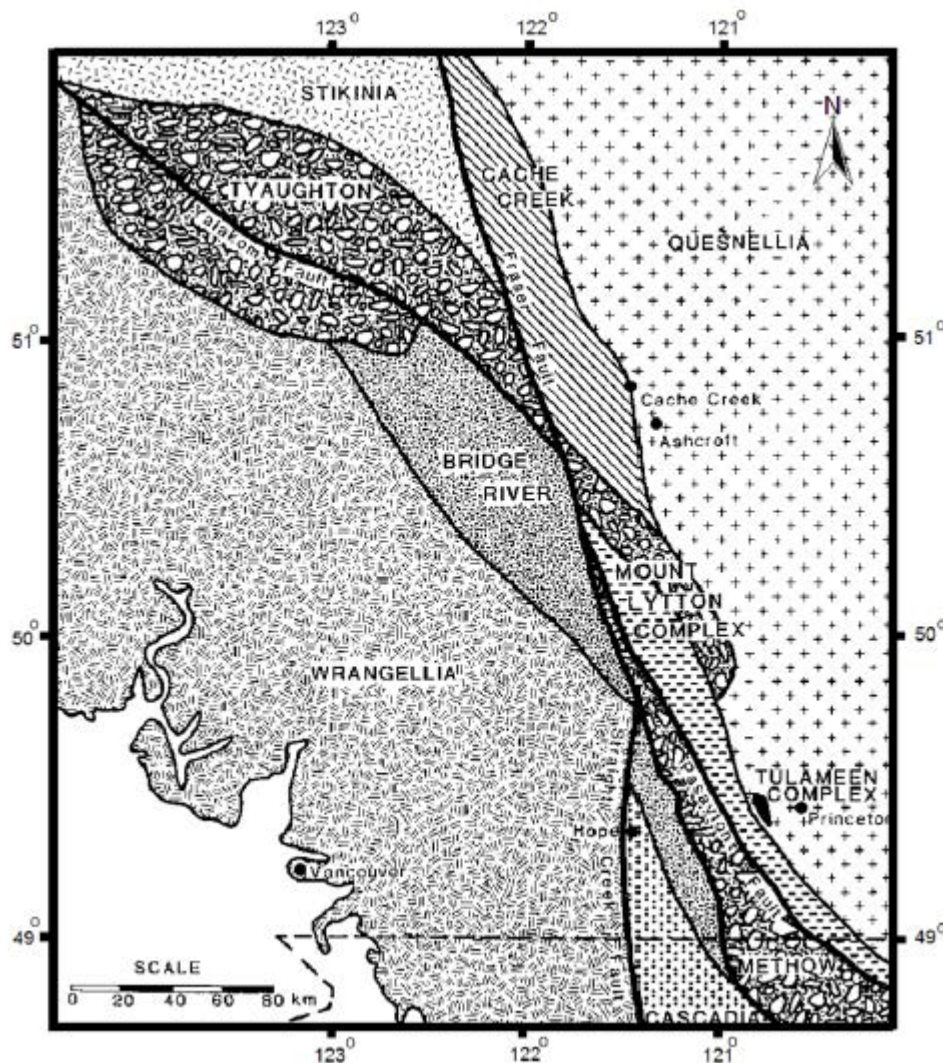


Figure 5. Tectonic setting of the Tulameen Ultramafic Complex. Source: Nixon and Rublee, 1988.

The Tulameen ultramafic complex (“TUC”) covers an area of 64 square kilometres, which makes it the largest of all Alaskan-type ultramafic complexes that occur within the Intermontane Belt.

The TUC extends north-northwest for 20 kilometres between Grasshopper Mountain and Arrastrada Creek in the south, parallel to the contact between Upper Triassic Nicola Group volcanic and metasedimentary rocks and the granitic terrane of the Eagle Plutonic Complex (LJto) located to the west (Figure 6). The Nicola Group volcanic host rocks (uTrJNc) in this region are generally intermediate to felsic in composition and belong to the western facies of the Upper Triassic Nicola volcanic assemblage (Nixon and Rublee, 1988). This assemblage has undergone greenschist to amphibolite grade metamorphism.

The Tulameen Ultramafic Complex is a zoned, southeasterly elongated ultramafic-gabbroic body that has been emplaced into upper Triassic Nicola group metasedimentary and metavolcanic rocks (Rublee, 1986, 1994). It is unconformably overlain by non-marine sedimentary rocks and andesitic to basaltic flows of the Eocene Princeton Group. The Jurassic Eagle Plutonic Complex granodiorite, a phase of the Mount Lytton Batholith, lies to the west. The ultramafic complex has been assigned a mid-Jurassic age on a basis of K-Ar determinations of 174 ± 4 Ma on hornblende by (Roddick, 1970), and of 186 Ma on biotite (Leech et al., 1963).

The lithologies of the TUC are Early Jurassic, elongate ultramafic to gabbroic intrusive bodies. The Tulameen ultramafic assemblage was emplaced into the Upper Triassic Nicola Group during a late Triassic deformation event in an island arc setting near the collision boundary between the Quenellia and Wrangellia plates. During this time, Nicola group volcanics were folded along north to northwest trending fold axis (Findlay, 1969). Age dates for the complex yield a preferred age of 175 Ma (Mid-Jurassic), but this age may be erroneous due to argon loss during metamorphism. Preliminary age dates on the Eagle Plutonic Complex suggest an Early to mid-Cretaceous (97 to 120 Ma.) age of emplacement (Nixon and Rublee, 1988). The eastern margin of the TUC and its host Nicola volcanic assemblage are unconformably overlain by terrigenous metasedimentary and metavolcanics assemblages of the Early Tertiary (Eocene) Princeton Group (ETPe, ETPr) along with Miocene plateau basalt flows (Miv).

Magmatic and Tectonic History

Locally, erosional tectonic unconformities transect earlier layers within the TUC, indicating that magmatic layers either slumped or were tectonically disrupted while precipitation of cumulate crystal layers took place in the magma chamber. Along the Tulameen River, layering features preserved in outcrop indicate that stratigraphic tops face west and dip steeply west towards the central dunite core in the Tulameen ultramafic complex. Breccia zones have been observed in the gabbro in outcrops exposed along the Tulameen River, with rounded to sub-rounded blocks enclosed in a medium grained, uniform gabbroic groundmass. Net-textured sulphide mineralization (pyrite) has also been observed in the same section, and in this area the pyrite also lines fractures.

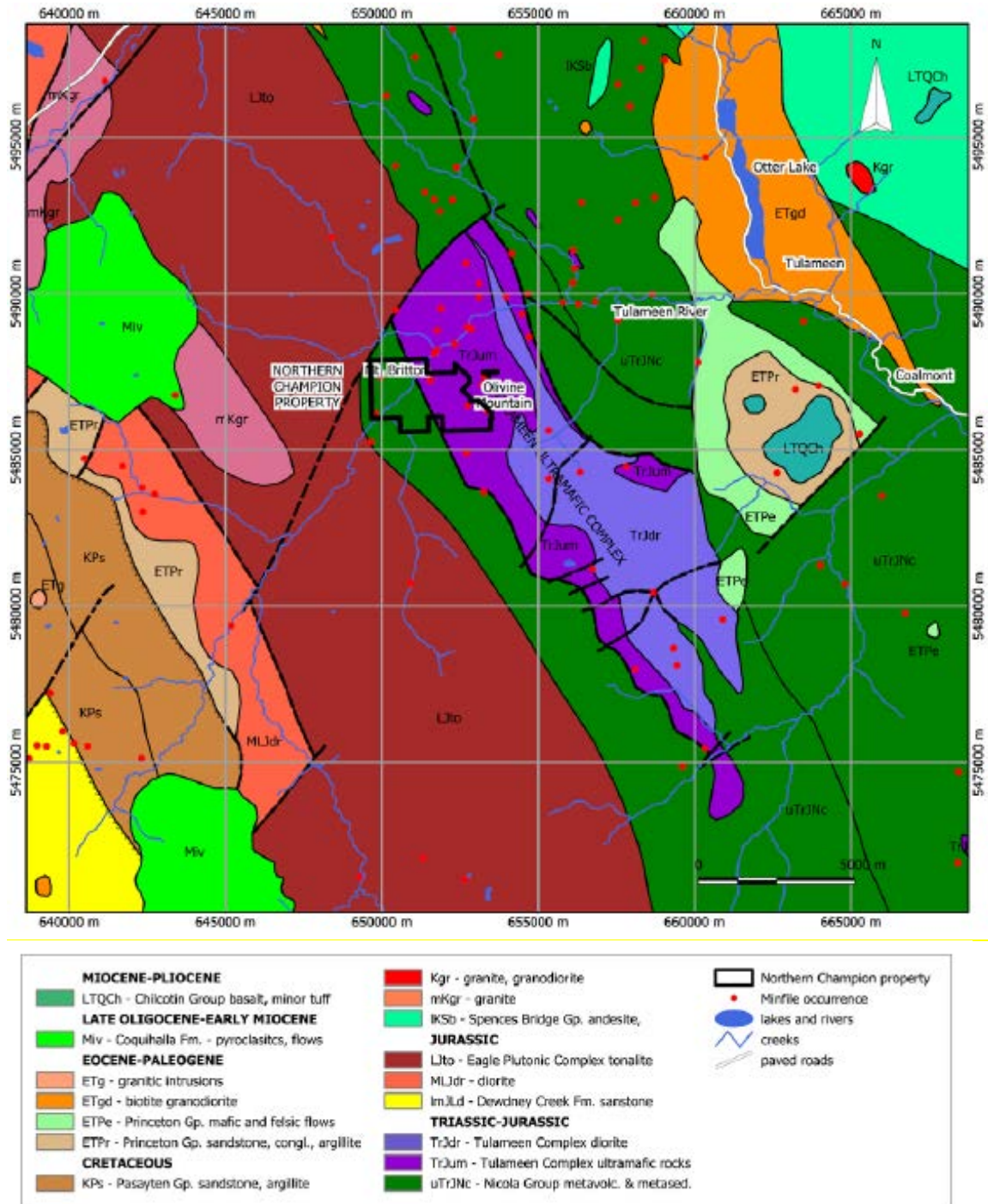


Figure 6. Regional Geologic Setting of the Tulameen Ultramafic Complex (TUC) and the Northern Champion Property. Map prepared by D.G. MacIntyre from digital geology data from the B.C. Ministry of Energy and Mines (Massey et al., 2005).

The Tulameen ultramafic sequence is represented by a dunite core with peripheral olivine clinopyroxenite. The hornblende olivine clinopyroxenites and magnetite-rich hornblendites are late-stage border phases peripheral to the olivine clinopyroxenites which are also proximal to syenodiorite and late-stage gabbros. Magnetite bodies within hornblende clinopyroxenites represent very late stage fluids. These iron deposits represent end members of the final crystallization event for the Tulameen ultramafic complex.

There is evidence of a complex alpine tectonic history that occurred during the emplacement of the Tulameen complex, which occurred in a collision plate, island-arc setting. Local displacements of the layered magmatic stratigraphy occur along high-angle transcurrent faults, and may have locally disturbed the magma chamber. Findlay (1969) considers the origin of gabbroic rocks within the Tulameen complex to be comagmatic with the Nicola volcanics and genetically linked but separate from the ultrabasic magma.

Regional structures include major faults trending north-northwest and are characterized by a westward dipping foliation that parallels the eastern margin and extends into the Mount Lytton Batholith, also known as the Eagle Plutonic Complex.

Property Geology and Mineralization

The geology of the Northern Champion Property is shown in Figure 6 and is based on the geology map included in the British Columbia Ministry of Energy, Mines and Petroleum Resources Bulletin 93 (Nixon et al., 1994). This bulletin describes the geology of the Tulameen Ultramafic Complex based on mapping done by Findlay (1969). This work showed that the ultramafic rocks within the TUC form asymmetrically zoned, steeply dipping plugs, enclosed by an older alkalic (potassium rich, silica undersaturated) gabbroic suite (Findlay, 1969). Findlay describes the distribution of the three areas of ultramafic rocks within the complex. In the northern part of the complex, the ultramafic units display the characteristic zonal pattern of similar intrusions in Alaska and U.S.S.R., comprising a dunite core surrounded by shells of olivine pyroxenite and hornblende clinopyroxenite (Figure 6). South of Olivine Mountain, where dunite is not exposed, the two main ultramafic zones contain a median zone of olivine clinopyroxenite bounded by hornblende clinopyroxenite. The Northern Champion Property straddles the boundary between the zoned ultramafic complex and intruded Nicola volcanic and sedimentary rocks (Figures 5 and 6).

Stratified Rocks

Nicola Group (ut N) - Rocks of the Nicola Group in the Tulameen region comprise black, thinly laminated argillites, green and brown tuffaceous siltstones and lapilli tuffs, dark grey-green aphyric to plagioclase phyrlic pyroxene andesite and hornblende dacite flows, rare aphanitic rhyolites, cherts, chert breccias and dark grey limestones. On the Northern Champion Property the predominant Nicola rock type is thinly laminated argillite. All lithologies are regionally metamorphosed to greenschist grade. Chlorite-muscovite schists with minor biotite are common to the west of the ultramafic complex and marbles with weakly developed skarns commonly occur adjacent to the contact with the Eagle Plutonic Complex. Skarn mineralization includes traces of molybdenite, chalcocopyrite, pyrite, covellite, bornite and chalcocite (Nixon et al., 1994).

The east slope of Mount Britton is underlain by a mylonitic zone (My), 800 to 1000 metres wide, developed at the contact between the Early Jurassic Tulameen Ultramafic Complex, a zoned Alaskan-type intrusive complex, and Upper Triassic Nicola Group metavolcanics and metasediments (Figure 6). The zone is largely comprised of mylonitic mafic to ultramafic igneous rocks derived from both units.

Ultramafic Rocks

Dunite (Du) - Outcrops of dunite within central core of the Tulameen complex are restricted to Grasshopper and Olivine Mountain, which is covered by the northeast corner of the Northern Champion Property (Figure 6). The dunite is generally medium to dark grey in colour when fresh. The primary mineralogy consists of up to 90% forsteritic olivine with accessory chromite and rare diopsidic augite. Alteration minerals occur along fractures, breccias and in shear zones, including serpentine, carbonate, magnetite and talc. The degree of serpentinization varies from less than 20% to more than 80% of the rock. The most intense areas of serpentinization occur near the eastern margin of the complex. Chromite and chrome spinel appear to be randomly distributed throughout the dunite as discrete layers, nodular masses and schlieren up to 1 meter in length and 6 centimetres in width.

Magnetite is disseminated throughout the dunite often forming thin, fine-grained bands or coarse aggregates. Generally the chromite can be distinguished from magnetite by the highly magnetic attraction of the magnetite, and the chromite is generally coarser grained and has a granular, sugary texture.

Olivine Clinopyroxenite (OPx) - Olivine clinopyroxenite (OPx) surrounds the dunite core of the TUC (Figure 6). The southwest flank of the OPx shell cuts through the Northern Champion Property (Figure 6). The fresh rock is medium to coarse grained and has

a blotchy green and black appearance due to partially serpentinized olivine and deep green coloured clinopyroxene. Sporadic pegmatitic phases contain crystals up to 8 centimetres across and olivine crystals locally form schlieren (Nixon and Rublee, 1988).

Within the contact zone, the dunite locally encapsulates the olivine clinopyroxenite while in other areas the reverse relationship is preserved in outcrop, and the olivine clinopyroxenite encapsulates the dunite. Breccias occur within the olivine clinopyroxenite near the western contact of the dunite between Britton and Champion Creeks. Angular to rounded blocks of dunite, pyroxenite and interlayered dunite-pyroxenite are enclosed in a serpentinized pyroxene-rich groundmass. A similar breccia occurs on the eastern margin of the dunite. Contacts dip moderately to steeply south.

Hornblende Clinopyroxenite (HPx) - Hornblende clinopyroxenite (HPx) generally occurs along the periphery of the Tulameen ultramafic complex and is exposed in a northwest trending band that cuts through the Northern Champion Property (Figure 6). Fresh rock is medium to coarse grained and contains diopsidic augite, hornblende, and relatively abundant magnetite with accessory minerals including biotite, rutile, sulphides and apatite. Mineral foliations are observable in medium-grained varieties and amphiboles may reach up to 3 centimetres in length in coarse-grained varieties. Accessory biotite and apatite locally occur in 6-meter thick magnetite-rich horizons. The magnetite-rich horizons can also occur as schlieren and podiform masses.

There is a well-defined trend of iron enrichment related to the crude concentric zonation of the TUC, with iron enrichment increasing outward from the central dunite core of the complex towards the outer peripheral rock types. The olivine clinopyroxenite rock unit zoned outward from the dunite core is more iron enriched due to the introduction of magmatically precipitated clinopyroxene in the magma chamber. The hornblende clinopyroxenite unit which precipitated at a later stage of magmatic evolution is more iron rich than the olivine clinopyroxenite due to the increased abundance of iron-rich hornblende, iron-rich clinopyroxene as well as accessory primary magnetite. The most iron-rich phases of the hornblende clinopyroxenite unit contain local magnetite-rich deposits which have previously been tested by previous explorers.

Mafic pegmatites (hornblendites) are preferentially distributed near the margins of hornblende clinopyroxenite bodies (Findlay, 1969). One of the mafic pegmatites was sampled and identified as containing significant PGE values, with heavy pyrite and chalcopyrite mineralization exposed in the vicinity of Hines Creek along the sheared eastern contact zone between hornblende clinopyroxenites of the TUC with Nicola Group metvolcanic rocks (Zastavnikovich, 1988).

Ultramafic Rocks

Gabbros (Gb) - Large gabbroic intrusives occur throughout the TUC, proximal to the eastern margin of the complex. There are no gabbros identified by previous government geological mapping programs on the Northern Champion Property (Figure 6). Findlay (1969) classified the gabbros as syenogabbros and syenodiorites. These gabbros are commonly in contact with olivine clinopyroxenite and only rarely come in contact with dunite. The syenodiorite is restricted to the southeastern margin of the TUC where it is unconformably overlain by lithologies of the Princeton Group.

The essential minerals within the syenogabbros include plagioclase (andesine), clinopyroxene, hornblende and potassium feldspar, with accessory minerals including apatite, opaque minerals, minor biotite and sphene. Most of the exposures of gabbro are saussuritized, are pale to dark grey in colour, and medium grained. Layered gabbros are common throughout the TUC, and preserve a wealth of layering features, including modal grading of plagioclase and ferromagnesian phenocrysts in which the density grading may be normal or reversed in different layers (Nixon and Rublee, 1988).

Mineralization

In the Qualified Person's opinion, the following descriptions represent the most current information available for mineral showings on the property. The Qualified Person has not visited any of the showings described here so cannot provide any additional information or interpretations beyond what is currently available in the public record. The following descriptive information is provided in order to give the reader some sense of the style and tenor of mineralization that is present on the Northern Champion Property.

Jenson's, H & H - Various copper showings occur just south and east of the summit of Olivine Mountain, 9 to 10 kilometres southwest of Tulameen. The Jenson's showings are hosted in pyroxenite of the Early Jurassic Tulameen Ultramafic Complex.

Mineralization occasionally occurs in north and west-trending shears within the pyroxenite.

The north-trending shears contain quartz veins sparsely mineralized with pyrite, chalcopyrite and pyrolusite. The west-trending shears contain chalcopyrite along cleavage planes; chalcopyrite is also disseminated in the pyroxenite in the vicinity of the mineralized planes. Individual chalcopyrite grains are in part embedded in pyroxene crystals, suggesting some of this mineralization may be of magmatic origin.

Samples taken across the north-trending shears assayed trace gold and silver and 0.5 per cent copper (Minister of Mines Annual Report 1917, page 208). In 1987, a grab sample from a quartz vein with malachite and chalcopyrite assayed 0.115 per cent copper and 1.3 grams per tonne silver (Goodall and Fox, 1987). Assays from the west-trending shears have ranged up to 3 per cent copper (Camsell, 1913).

Britton - The Britton showing outcrops on Mount Britton, just northwest of the Tulameen River and 11.5 kilometres west-southwest of the town of Tulameen.

Mineralization occurs in a zone of brecciation of undetermined width, which has been traced northwest from the bank of the Tulameen River over the east flank of Mount Britton for at least 400 metres. The breccia contains fragments of pyroxenite and altered sediments with disseminations and stringers of pyrite, chalcopyrite and magnetite up to 1 centimetre thick. In places, the breccia is healed with a calcite-quartz matrix, which is also mineralized.

Cathy, J and L - The Cathy copper-chromite showing is 400 metres southeast of the Tulameen River, 950 metres south-southwest of the mouth of Britton (Eagle) Creek and 11 kilometres west-southwest of the town of Tulameen.

This occurrence is hosted in peridotite of the Early Jurassic Tulameen Ultramafic Complex, a zoned Alaskan-type intrusive complex. The showing lies in a northwest trending band of olivine clinopyroxenite with minor peridotite that flanks the southwestern margin of the dunite-rich core of the complex.

A small zone of disseminated chalcopyrite and chromite occurs in mildly tremolite-altered peridotite. A grab sample assayed 0.21 per cent copper, 0.17 grams per tonne platinum and 0.12 grams per tonne palladium (Coveney and Lee, 1970; Assessment Report 2,274, page 16).

Red Gold, Rocket, Champion Creek - This molybdenum-copper showing outcrops on either side of the Tulameen River, 13 kilometres west-southwest of the town of Tulameen. The Red Gold occurrence is hosted in Upper Triassic Nicola Group metamorphic rocks, immediately east of the contact with the Late Jurassic to Early Cretaceous Eagle Plutonic Complex. The Nicola Group rocks in this vicinity are comprised of weakly skarned marbles and mica and chlorite schists of upper greenschist grade. These rocks dip steeply westward, parallel to the contact with schistose, medium-grained granodiorite of the Eagle Plutonic Complex. Dikes of granodiorite intruding the Nicola Group are boudinaged and folded by a regional deformation that appears to be either syn or post-mineralization. A zone of disseminated molybdenite, chalcopyrite, bornite, pyrite and trace covellite occurs in a roadside quarry on the north side of the river, 250 metres west-northwest of the mouth of Champion Creek. Most of the mineralization is in the marbles, and lies close to the Eagle Plutonic Complex contact (0 to 10 metres distance). A sample taken across the face of a nearby adit assayed 1.4 grams per tonne gold, 17 grams per tonne silver and a trace of copper over 0.46 metre (Minister of Mines Annual Report 1913, page 234).

Similar mineralization occurs sporadically along a stretch of Champion Creek, beginning near the creek's mouth, and continuing upstream for about 1.5 kilometres. Disseminated molybdenite, pyrite, chalcopyrite, sphalerite, and tetrahedrite are found in skarn-altered limestones in a gangue of quartz, reddish garnet, epidote, hornblende and pyroxene. High gold and silver assays are reported from this mineralization (Camsell, 1913; page 161). The schists and marbles along Champion Creek are occasionally cut by shears containing near vertical quartz veins up to 6 centimetres wide. The veins are mineralized with pyrite, sphalerite and tetrahedrite. A sample of such a vein taken near an old adit, 200 metres south of the creek's mouth, analysed 0.044 gram per tonne gold, 7.8 grams per tonne silver and 0.7806 per cent zinc (Zastavnikovich, 1988a; Assessment Report 17324, page 4).

Copper Queen - The Copper Queen copper showing outcrops on the northwest slope of Olivine Mountain, 10 kilometres west-southwest of Tulameen.

Pyrite and chalcopyrite occur in pyroxenite of the Early Jurassic Tulameen Ultramafic Complex. The minerals are disseminated through the pyroxenite in small, distinct zones. Typical trench samples assayed 1 per cent copper with a trace of gold and nil platinum or chromite, while selected samples assayed up to 3 per cent copper (Minister of Mines Annual Report 1918, page 214).

Blue Gold, Z, Mount Britton - This showing is located 100 metres southwest of the peak of Mount Britton, 900 metres northwest of the Tulameen River and 12.5 kilometres west-southwest of the town of Tulameen.

The Blue Gold occurrence is hosted in a northwest trending band of metavolcanics and metasediments of the Upper Triassic Nicola Group situated between the Early Jurassic Tulameen Ultramafic Complex to the east and the Late Jurassic to Early Cretaceous Eagle Plutonic Complex to the west.

Rubble from an old pit is mineralized with coarse-grained pyrite and galena. A grab sample analysed 0.085 gram per tonne gold, 49.1 grams per tonne silver, 2.255 per cent copper, 2.9474 per cent lead, 5.742 per cent zinc and 0.1107 per cent cadmium (Assessment Report 17325, page 6).

Deposit Types

The Red Gold-Rock-Champion Creek showing is classified as a skarn or polymetallic vein occurrence and the Blue Gold, Z, Mount Britton showing is classified as a polymetallic vein in the Minfile database. All the other showings are within the Tulameen Ultramafic Complex and are classified as Alaskan type PGE occurrences (type M05).

The general structure of Alaskan-type ultramafic complexes is characterized by a crudely concentric outward zonation of rock types ranging from olivine-bearing to hornblende – rich or magnetite rich clinopyroxenites about a steeply dipping dunite core (Taylor, 1967). Typical cumulate minerals include forsteritic olivine, diopsidic augite, chromite and magnetite. Orthopyroxene is characteristically absent in Alaskan-type ultramafic intrusions, indicating an alkalic affinity. Gabbroic rocks are typically tholeiitic in composition, but in the case of the Tulameen, the gabbro complex is unique in composition since these rocks are classified as syenogabbros and syenodiorites (Nixon et. al., 1994). The geology of the Tulameen ultramafic complex is similar to other well-documented Alaskan-Type ultramafic complexes located along the southeast coast of Alaska and in the Ural Mountains of Russia.

A study of the geochemistry of PGE within the Tulameen complex, undertaken by St. Louis (1982) and St. Louis et al. (1986), demonstrated the distribution of PGE to be a function of the degree of differentiation (zoning) within the ultramafic intrusive. The highest platinum, iridium, osmium and rhodium values were obtained from dunites, peridotites, and their altered (serpentinized) equivalents; the pyroxenites and hornblendites were depleted (St. Louis, 1982; St. Louis et al., 1986). Palladium appears to be confined to the marginal phases (hornblende clinopyroxenite and hornblende) and enclosing gabbroic rocks.

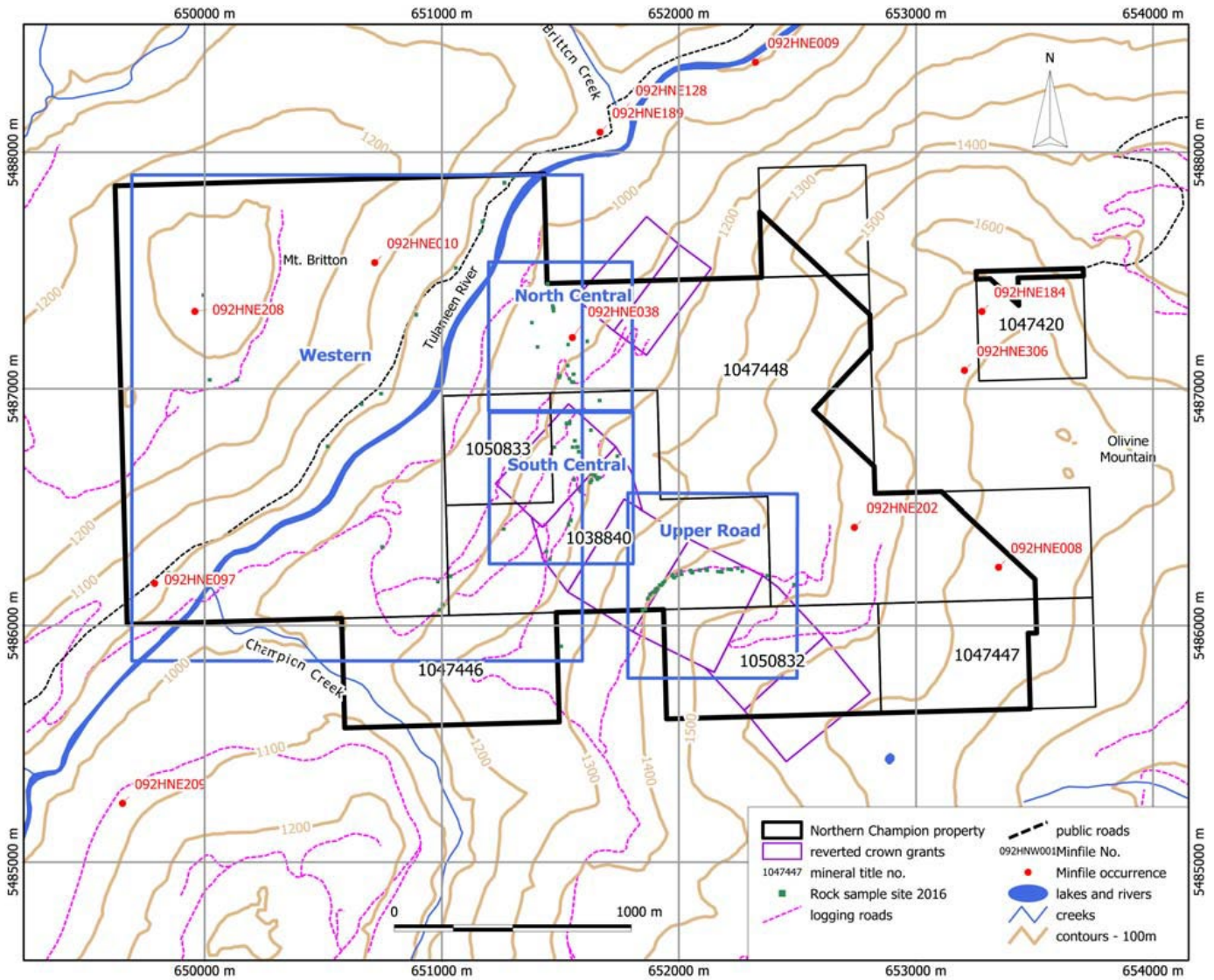


Figure 7. Index map showing location of 2016 sampling areas. Map prepared by D.G. MacIntyre, April 2017.

Exploration

The 2016 exploration program conducted by Rich River Exploration on the Northern Champion Property involved prospecting and rock sampling mostly within the central and western parts of the Northern Champion Property (Figure 7). A total of 101 rock samples, mostly grab samples from outcrop, were collected in October 2016. This work was supervised by Craig Lynes and was done on behalf of Rain City.

All samples were analyzed using an Aqua Regia digestion and an Inductively Coupled Plasma Mass Spectrometry (“ICP/MS”) finish to determine the concentrations of a standard suite of 36 elements. This analytical work was done by Activation Laboratories Ltd. (“Actlabs”) in Kamloops B.C. Selected samples (51) were also analyzed for Pt, Pd and Au using a combination of fire assay and ICP/MS finish. Of these, four samples were also analyzed using Actlabs Nickel Sulphide Fire Assay technique and an Instrumental Neutron Activation Analysis (“INAA”) finish.

Sample descriptions and analytical results for selected elements are presented in Tables 3-10. Maps showing sample locations and analytical results for Cu, Cr, Ni, Au, Pt and Pd were produced by the Qualified Person from original analytical certificates and GPS coordinates provided by Mr. Lynes. These maps are presented in Figures 8, 9, 10 and 11. The locations of these map areas relative to the mineral title boundaries are shown in Figure 7.

North Central Area

At total of 18 rock samples were collected from outcrops exposed along logging roads and within areas of clearcut logging in the North Central Area (Figure 8). Sample descriptions suggest most were either hornblende pyroxenite or seprentinized peridotite of the Tulameen Ultramafic Complex. Copper mineralization in the form of chalcopyrite and malachite were observed in 12 of the samples from this area (Table 3). Magnetite was a common accessory mineral. Table 4 gives the analytical results for Au, Pt, Pd, Ag, Cu, Pb and Zn. The Cathy/J&L showing, which is described as a small zone of disseminated chalcopyrite and chromite in mildly tremolite-altered peridotite, plots within the sample area (Figure 8). The actual location of this showing was not found in 2016. A historical grab sample from this showing collected in 1970 is reported to have assayed 0.21 per cent copper, 0.17 grams per tonne platinum and 0.12 grams per tonne palladium (Coveney and Lee, 1970; Assessment Report 2,274, page 16).

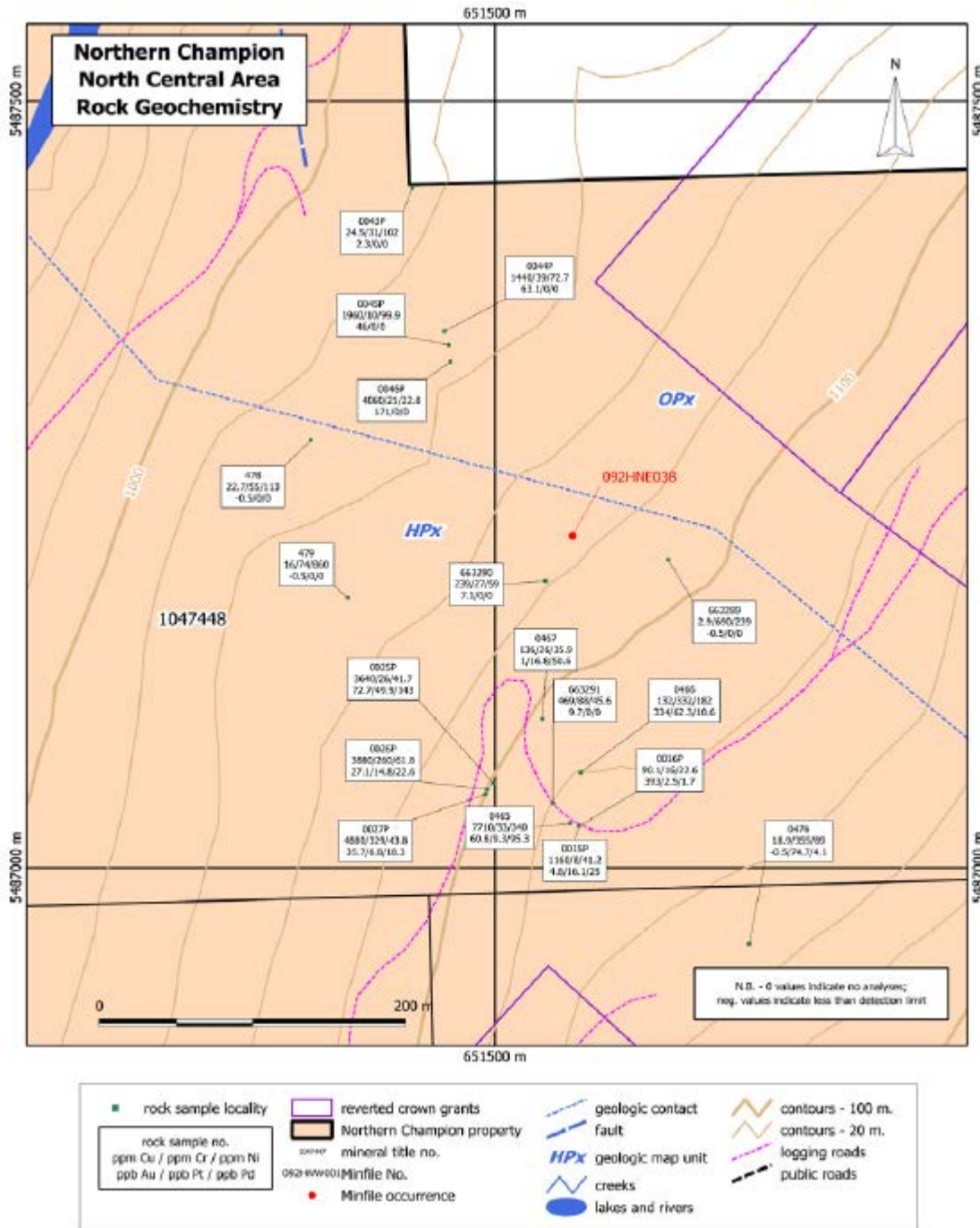


Figure 8. Map showing location of rock samples and analytical results for Cu, Cr, Ni, Au, Pt and Pd, North Central Area, Northern Champion Property. Map prepared by D.G. MacIntyre, April 2017.

Table 3. Rock sample descriptions, North Central Area

SAMPLE #	UTM E	UTM N	Rock Type	Mineralization
0015P	651555	5487027	pyroxenite	mt, cpy, mal
0016P	651555	5487027	alt. gneiss and pyroxenite	py, trace cpy, gn?
0025P	651499	5487055	hornblende pyroxenite	cpy, mal
0026P	651495	5487051	hornblende pyroxenite	cpy
0027P	651494	5487048	hornblende pyroxenite	cpy, mt
0043P	651446	5487444	ultramafic rock	mt, trace cpy
0044P	651467	5487350	hornblendite	mt, mal, trace cpy
0045P	651470	5487341	magnetite hornblende pyroxenite	az, mal
0046P	651471	5487330	serpentinized ultramafic rock	2.5
0465	651549	5487029	serpentinized peridotite	9.3
0466	651556	5487062	listwanite?	45.0
0467	651531	5487097	altered peridotite	14.6
0476	651666	5487950	pyroxenite	13.4
478	651380	5487279	olivine pyroxenite	10.0
479	651404	5487176	dunite subcrop	2.8
663289	651613	5487201	serpentinized ultramafic	2.3
663290	651533	5487187	ultramafic rock	3.2
663291	651538	5487042	hornblende pyroxenite	6.2

Abbreviations: mt=magnetite, cpy=chalcopyrite, py=pyrite, mal=malachite, hm=hematite, gn=galena, sp=sphalerite, az=azurite, cr=chromite

Table 4. Analytical results for rock samples, North Central Area.

Sample No.	Au ppb **	Pt ppb **	Pd ppb **	Ag ppm	Au ppb	Cu ppm	Pb ppm	Zn ppm	Pt ppb *	Pd ppb *	Au ppb *
0015P	12	16.1	25	1.2	4.8	1160	0.5	31			
0016P	351	2.5	1.7	7.8	393	90.1	1820	373			
0025P	100	49.9	143	1.3	72.7	3640	< 0.1	19			
0026P	38	14.8	22.6	1.8	27.1	3880	< 0.1	19			
0027P	56	6.8	18.3	1.9	35.7	4880	< 0.1	19			
0043P				0.3	2.3	24.5	< 0.1	41			
0044P				1.4	63.1	1440	< 0.1	36			
0045P				1.4	46	1960	< 0.1	43			
0046P				2.5	171	4060	0.9	7			
0465	103	9.3	95.3	4.5	60.8	7710	3.6	39	10	103	92.4
0466	303	62.3	10.6	4.4	334	132	12.2	172			
0467	4	16.8	50.6	0.9	1	136	0.4	16	23	56	2.6
0476	2	74.7	4.1	0.2	< 0.5	18.9	< 0.1	16			
478				0.3	< 0.5	22.7	< 0.1	36			
479				0.2	< 0.5	16	< 0.1	35			
663289				0.3	< 0.5	2.9	< 0.1	55			
663290				0.3	7.1	239	0.2	25			
663291				0.4	9.7	469	< 0.1	16			

N.B. ** = fire assay, ICP/MS finish; * = nickel sulphide fire assay, INAA finish; all others aqua regia digestion, ICP/MS finish

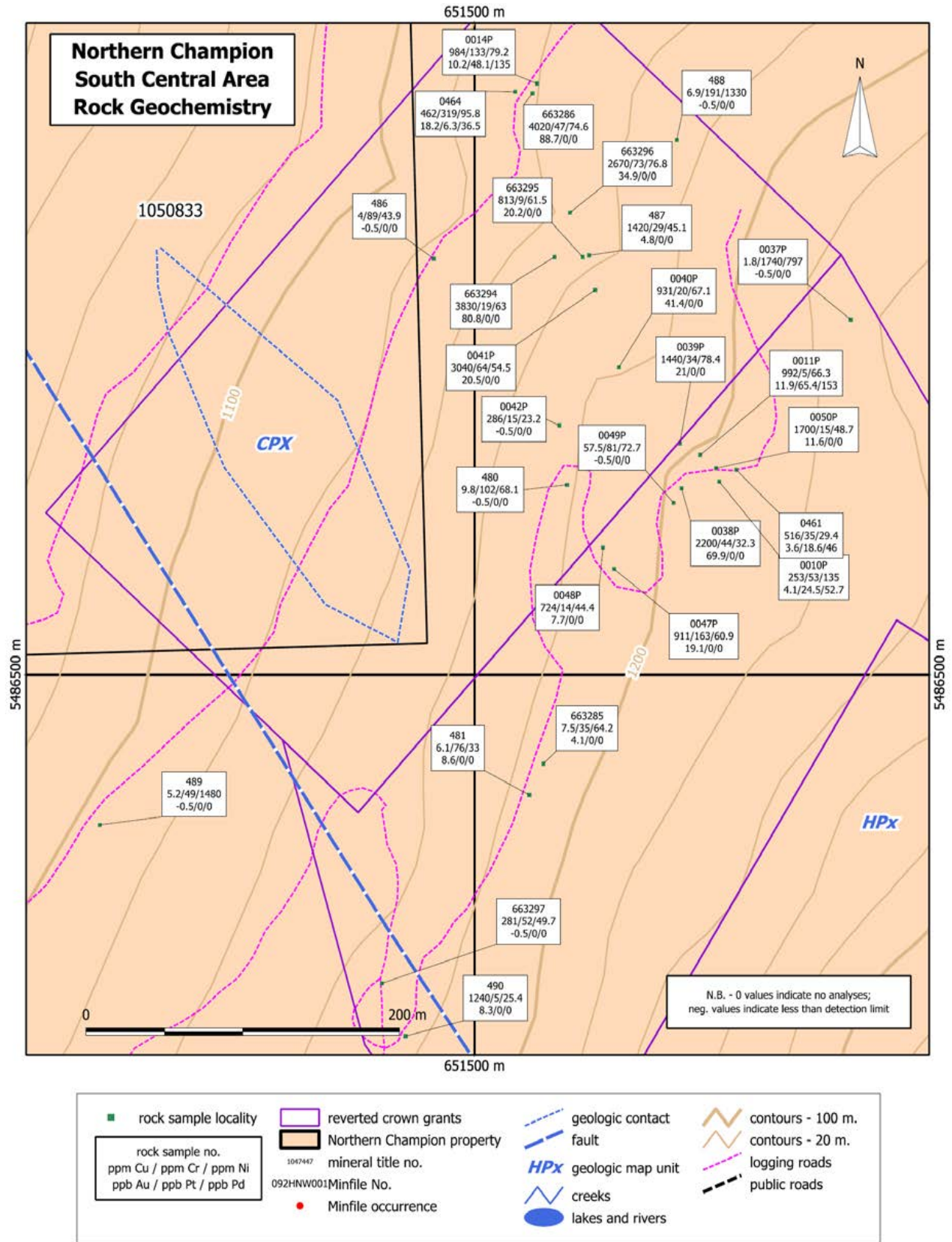


Figure 9. Map showing location of rock samples and analytical results for Cu, Cr, Ni, Au, Pt and Pd, Upper Road Area, Northern Champion Property. Map prepared by D.G. MacIntyre, April 2017.

South Central Area

At total of 28 rock samples were collected within the South Central Area, mostly from outcrops exposed by logging road construction and within an area of clearcut logging between logging roads (Figure 9). As with the North Central area most samples are described as hornblende pyroxenite or clinopyroxenite of the southeastern border phase (HPx) of the Tulameen Ultramafic Complex (Table 10). Visible copper mineralization as malachite and/or chalcopyrite was reported for 20 of the 28 samples with magnetite as a common accessory mineral. The area sampled is within an area previously covered by now reverted crown grants.

Table 5. Rock sample descriptions, South Central Area

Sample No.	UTM E	UTM N	Rock type	Mineralization
0010P	651656	5486617	shear zone in ultramafic rock	py, cpy?
0011P	651644	5486633	ultramafic rock	mal, mt
0014P	651540	5486858	gabbro	mt, cpy
0037P	651740	5486715	dunite with pyroxenite	cr
0038P	651632	5486613	olivine pyroxenite with carb veinlets	cpy
0039P	651631	5486640	pyroxenite	mal, mt
0040P	651592	5486686	pyroxenite	mal, mt
0041P	651577	5486733	pyroxenite	mt, cpy, mal
0042P	651554	5486651	ultramafic rock	py, trace cpy
0047P	651589	5486564	hornblende pyroxenite	mt, trace cpy
0048P	651582	5486577	hornblende pyroxenite	mt, trace cpy
0049P	651627	5486604	hornblende pyroxenite	mt, cpy, mal
0050P	651654	5486625	hornblende pyroxenite	mt, cpy, mal
0461	651667	5486624	qtz vein (sub crop)	cpy
0464	651526	5486853	serpentinized periodotite	minor py
480	651559	5486615	peridotite	mt
481	651535	5486427	qtz vein in pyroxenite	py, mt
486	651474	5486752	hornblende clinopyroxenite	mt
487	651573	5486754	qtz-carb vein in pyroxenite	py, minor cpy
488	651629	5486824	dunite	cr?
489	651261	5486409	dunite	cr
490	651456	5486281	hornblende clinopyroxenite	cpy, mt
663285	651544	5486446	hornblende pyroxenite	mt
663286	651537	5486852	ultramafic rock with carb. veinlets	cpy,
663294	651551	5486753	hornblende pyroxenite float	cpy, mt
663295	651569	5486753	hornblende pyroxenite	cpy, mal, mt
663296	651561	5486780	fault breccia float, carb. veinlets	cpy
663297	651441	5486313	chl. ultramafic breccia with carb. veinlets	cpy, mt

Abbreviations: qtz=quartz, carb=carbonate, mt=magnetite, cpy=chalcopyrite, py=pyrite, mal=malachite, hm=hematite, gn=galena, sp=sphalerite, az=azurite, cr=chromite

Table 6. Analytical results for rock samples, South central Area

Sample No.	Au ppb **	Pt ppb **	Pd ppb **	Ag ppm	Au ppb	Cu ppm	Pb ppm	Zn ppm
0010P	7	24.5	52.7	1	4.1	253	0.3	75
0011P	10	65.4	153	0.7	11.9	992	< 0.1	34
0014P	12	48.1	135	4.1	10.2	984	3.3	44
0037P				0.1	< 0.5	1.8	< 0.1	73
0038P				1.4	69.9	2200	< 0.1	11
0039P				0.9	21	1440	< 0.1	33
0040P				0.7	41.4	931	< 0.1	39
0041P				1.9	20.5	3040	< 0.1	31
0042P				0.6	< 0.5	286	< 0.1	55
0047P				1.2	19.1	911	0.3	22
0048P				0.8	7.7	724	< 0.1	15
0049P				0.4	< 0.5	57.5	< 0.1	23
0050P				1.1	11.6	1700	< 0.1	23
0461	2	18.6	46	1.2	3.6	516	0.5	30
0464	5	6.3	36.5	1	18.2	462	5.3	33
480				0.2	< 0.5	9.8	< 0.1	15
481				0.3	8.6	6.1	2.5	36
486				0.2	< 0.5	4	< 0.1	10
487				4.1	4.8	1420	1	33
488				0.6	< 0.5	6.9	< 0.1	26
489				0.3	< 0.5	5.2	< 0.1	29
490				0.7	8.3	1240	< 0.1	31
663285				0.3	4.1	7.5	2.3	19
663286				2.8	88.7	4020	1.6	37
663294				2.4	80.8	3830	0.7	14
663295				1.2	20.2	813	< 0.1	36
663296				1.3	34.9	2670	< 0.1	27
663297				0.5	< 0.5	281	< 0.1	14

N.B. ** = fire assay, ICP/MS finish; all others aqua regia digestion, ICP/MS finish

Upper Road Area

At total of 34 rock samples were collected from outcrop exposed in the cut banks of a logging road near the southern limit of the property. These samples were collected over a distance of 600 metres. The location of these samples is shown in Figure 10; sample descriptions and analytical results are given in Tables 8 and 9 respectively. Most of the samples from this area are described as hornblende pyroxenite and occur within the southwestern border phase (HPx) of the Tulameen Ultramafic Complex. Many of the samples contained visible copper mineralization as malachite or chalcopyrite along with pyrite and magnetite (Table 8).

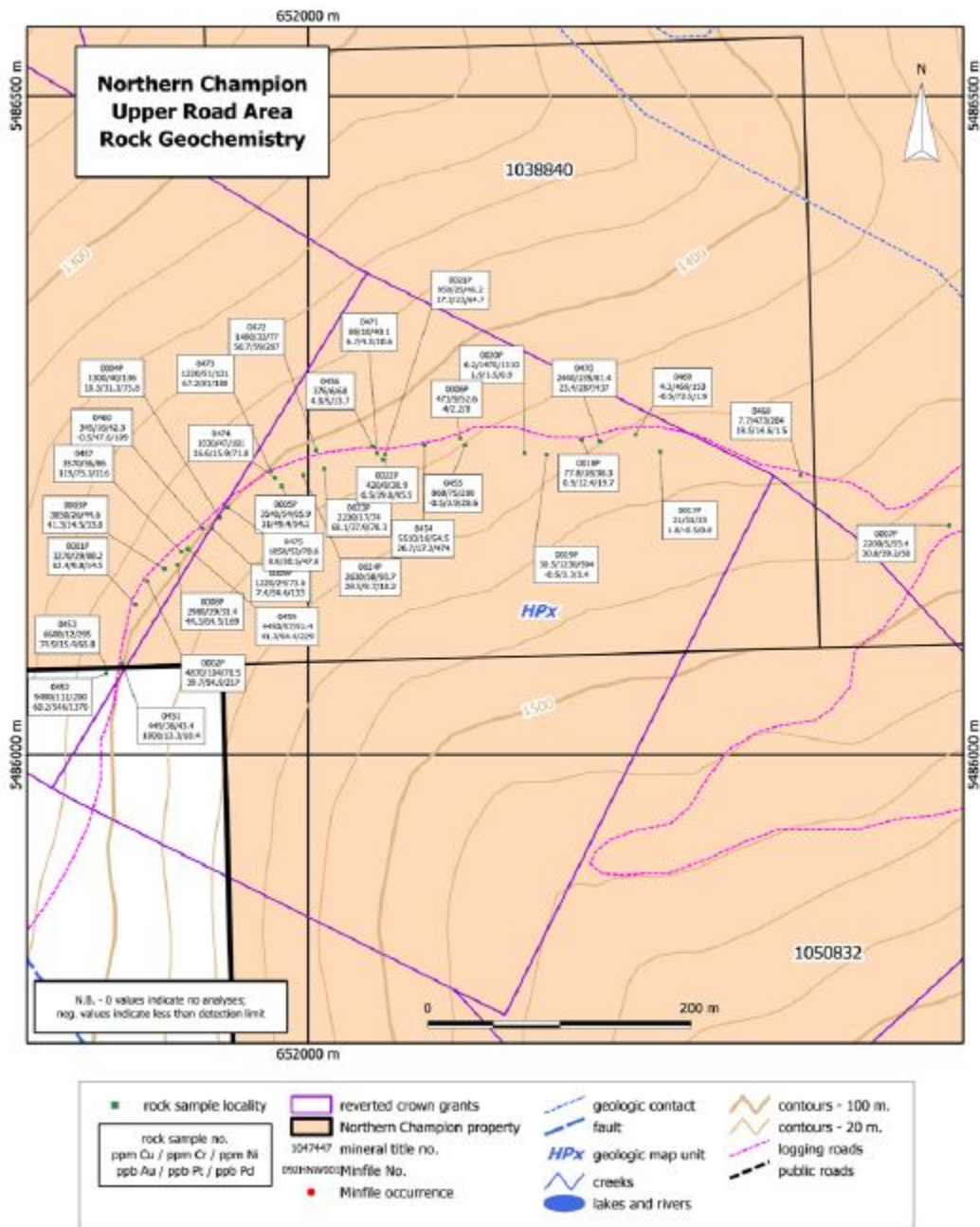


Figure 10. Map showing location of rock samples and analytical results for Cu, C, Ni, Au, Pt and Pd, Upper Road Area, Northern Champion Property. Map prepared by D.G. MacIntyre, April 2017.

Table 7. Rock sample descriptions, Upper Road Area

Sample No.	UTME	UTMN	Rock type	Mineralization
0001P	651869	5486114	ultramafic rock	mal, mt, trace cpy
0002P	651878	5486132	ultramafic rock	mal, mt
0003P	651891	5486141	ultramafic rock	cpy
0004P	651933	5486180	ultramafic rock	py, mt
0005P	651980	5486204	ultramafic rock	mal, cpy, mt
0006P	652115	5486240	ultramafic rock	py, mt, trace cpy
0007P	652486	5486174	ultramafic rock float	mal, mt
0008P	651901	5486144	ultramafic rock	minor mal
0009P	651927	5486172	ultramafic rock	mal
0017P	652267	5486230	homblendite	
0018P	652207	5486239	olivinite with homblende veins	
0019P	652181	5486228	chrysotile-serp alt periodotite	
0020P	652164	5486229	dumite with chrysotile	hm
0021P	652058	5486228	homblende pyroxenite	cpy, mal
0022P	652057	5486224	chrysotile ultramafic rock	cpy
0023P	652012	5486217	homblende pyroxenite	cpy, mt
0024P	651996	5486212	homblende pyroxenite	mt, mal, trace cpy
0451	651859	5486069	qtz vein	py, minor cpy
0452	651847	5486062	vein	py, minor cpy
0453	651847	5486066	semi-massive sulphide	py, cpy
0454	652088	5486235	altered pod	cpy, mal
0455	652119	5486235	pyroxinite	py, po, mt
0456	652049	5486234	homblende pyroxenite	py, mt
0457	651904	5486154	homblende pyroxenite	
0459	651909	5486156	pyroxinite	cpy, mal
0460	651920	5486172	pyroxinite (subcrop)	
0468	652373	5486212	shear zone	
0469	652248	5486243	altered peridotite	
0470	652221	5486238	homblendite	mal
0471	652052	5486229	qtz-carb vein	minor py
0472	652006	5486231	homblende pyroxenite	cpy, mal
0473	651972	5486215	pyroxenite	mal, po?
0474	651975	5486210	pyroxenite	mt, minor cpy
0475	651939	5486188	homblende clinopyroxenite	minor cpy, py, mt

Abbreviations: qtz=quartz, carb=carbonate, mt=magnetite, cpy=chalcopyrite, py=pyrite, mal=malachite, hm=hematite, gn=galena, sp=sphalerite, az=azurite, cr=chromite

Table 8. Analytical results for rock samples, Upper Road Area.

Sample No.	Au ppb **	Pt ppb **	Pd ppb **	Ag ppm	Au ppb	Cu ppm	Pb ppm	Zn ppm	Pt ppb *	Pd ppb *	Au ppb *
0001P	237	9.8	14.5	1.3	62.4	3270	0.5	34			
0002P	34	94.9	217	2.3	39.7	4870	< 0.1	26			
0003P	50	14.5	33.8	2.4	41.3	3850	< 0.1	15			

Sample No.	Au ppb **	Pt ppb **	Pd ppb **	Ag ppm	Au ppb	Cu ppm	Pb ppm	Zn ppm	Pt ppb *	Pd ppb *	Au ppb *
0004P	18	31.3	75.8	0.7	10.5	1300	1.2	30			
0005P	41	49.4	54.1	2	31	3540	< 0.1	47			
0006P	6	2.2	8	0.6	4	473	< 0.1	39	< 5	8	4.2
0007P	25	39.2	50	1.3	30.8	2200	< 0.1	19			
0008P	23	64.5	169	2.4	44.3	2980	< 0.1	23			
0009P	10	54.4	133	1	7.4	1220	< 0.1	35			
0017P	2	< 0.5	0.8	1	1.8	21	1.3	85			
0018P	2	12.4	19.7	0.6	0.9	77.8	1.4	62			
0019P	3	3.3	1.4	0.4	< 0.5	30.5	< 0.1	37			
0020P	2	1.5	0.9	1.8	1.9	6.2	1.5	44			
0021P	22	23	64.7	1	17.3	950	< 0.1	37			
0022P	7	39.8	95.5	0.4	6.5	420	< 0.1	25			
0023P	42	37.9	78.3	1.1	68.1	2230	< 0.1	36			
0024P	42	8.7	18.2	1.4	28.5	2630	< 0.1	58			
0451	841	13.3	18.4	> 100	> 1000	449	156	235			
0452	142	546	1370	19.8	60.2	9490	< 0.1	251			
0453	97	15.4	65.8	10.2	74.9	6600	1.6	36			
0454	54	17.2	474	5.2	26.7	5510	0.7	76			
0455	5	3.9	28.6	0.6	< 0.5	868	< 0.1	34	< 5	30	5.7
0456	6	5	13.7	0.6	4.3	376	< 0.1	46			
0457	22	75.3	216	1.1	119	3570	< 0.1	26			
0459	52	64.4	229	2.4	41.3	4450	0.7	31			
0460	4	47.6	109	0.9	< 0.5	345	< 0.1	17			
0468	3	14.6	1.5	0.3	19.5	7.7	< 0.1	30			
0469	< 1	73.5	1.9	0.2	< 0.5	4.3	< 0.1	22			
0470	33	287	437	1.4	23.4	2440	< 0.1	57			
0471	4	4.3	10.6	0.7	6.7	88	1.4	50			
0472	42	59	207	0.9	50.7	1480	< 0.1	38			
0473	61	81	188	2	67.2	1220	< 0.1	64			
0474	31	15.9	71.8	1.2	16.6	1030	< 0.1	93			
0475	9	20.5	47.8	0.5	8.8	1050	< 0.1	42			

N.B. ** = fire assay, ICP/MS finish; * = nickel sulphide fire assay, INAA finish; all others aqua regia digestion, ICP/MS finish

Western Area

A total of 21 rock samples were collected within the Western Area, mainly from outcrops along roads north and south of the Tulameen River. The location of these samples is shown in Figure 11; sample descriptions and analytical results are given in Tables 10 and 11 respectively. Sample 0463 was collected near the Blue Gold, Z, Mount Britton showing and is located 100 metres southwest of the peak of Mount Britton. The Blue Gold occurrence is hosted in a northwest trending band of metavolcanics and metasediments of the Upper Triassic Nicola Group. Rubble from an old pit is mineralized with coarse-grained pyrite and galena.

Samples 482 and 663287 were float samples of peridotite and marble that were collected in the vicinity of the Red Gold, Rocket, Champion Creek showing which is described as a Mo-Cu showing in Nicola Group metavolcanic rocks. Sample 482 contained low grade Cu; sample 663287 was unmineralized marble.

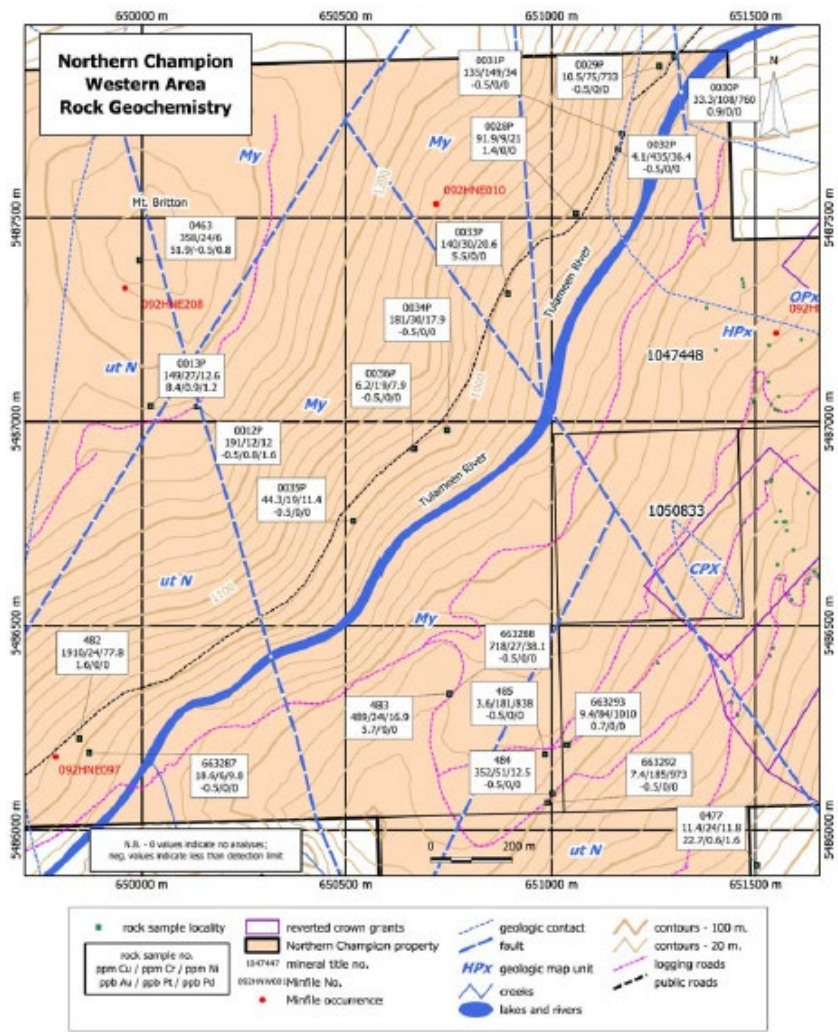


Figure 11. Map showing location of rock samples and analytical results for Cu, Cr, Ni, Au, Pt and Pd, Western Area, Northern Champion Property. Map prepared by D.G. MacIntyre, April 2017.

Table 9. Rock sample descriptions, Western Area

Sample No.	UTM E	UTM N	Rock type	Mineralization
0012P	650136	5487037	metavolcanic rock	py,
0013P	650021	5487038	gneiss float with qtz-carb veins	trace gn
0028P	651059	5487511	gneiss with pyroxenite dyke, qtz veins	py
0029P	651264	5487871	olivinite float	cr
0030P	651302	5487895	olivinite	cr
0031P	651172	5487706	pyroxenite	trace py, cpy
0032P	651163	5487667	olivinite/pyroxenite breccia	
0033P	650893	5487313	metaseds float	py, po
0034P	650744	5486979	hornblende diorite float	py
0035P	650518	5486756	hornblende phyrlic dyke	py
0036P	650662	5486934	hornblende diorite dyke	py
463	649995	5487396	quartzite metaseds	gn, sp, py
477	651503	5485913	qtz vein in pyroxenite	minor py, cpy, mal
482	649847	5486224	peridotite float	py?
483	650750	5486334	altered vein in metavolcanic	minor py, cpy, aspy
484	651003	5486090	quartz vein in metavolcanic	py, minor cpy
485	650984	5486186	dunite	cr
663287	649871	5486189	marble float	trace py, sp
663288	650749	5486333	metavolcanic with qtz-carb veins	py
663292	650991	5486067	dunite dyke	
663293	651037	5486209	dunite/olivinite	

Table 10. Analytical results for rock samples, Western Area.

Sample No.	Au ppb **	Pt ppb **	Pd ppb **	Ag ppm	Au ppb	Cu ppm	Pb ppm	Zn ppm
0012P	1	0.8	1.6	0.5	< 0.5	191	8.3	12
0013P	7	0.9	1.2	4	8.4	149	> 5000	189
0028P				0.3	1.4	91.9	2.4	19
0029P				0.2	< 0.5	10.5	< 0.1	25
0030P				0.2	0.9	33.3	< 0.1	37
0031P				0.2	< 0.5	135	0.3	15
0032P				0.1	< 0.5	4.1	< 0.1	6
0033P				0.3	5.5	140	23.8	177
0034P				0.2	< 0.5	181	0.7	13
0035P				0.2	< 0.5	44.3	0.4	13
0036P				0.2	< 0.5	6.2	0.6	14
0463	49	< 0.5	0.8	12	51.9	358	> 5000	4520
0477	29	0.6	1.6	0.4	22.7	11.4	1	9
482				0.3	1.6	1910	< 0.1	35
483				1	5.7	489	3.6	29
484				0.6	< 0.5	352	1.1	13
485				0.3	< 0.5	3.6	< 0.1	53

Sample No.	Au ppb **	Pt ppb **	Pd ppb **	Ag ppm	Au ppb	Cu ppm	Pb ppm	Zn ppm
663287				0.5	< 0.5	18.6	3.3	424
663288				0.9	< 0.5	718	4.1	69
663292				0.2	< 0.5	7.4	< 0.1	36
663293				0.1	0.7	9.4	0.3	40

N.B. ** = fire assay, ICP/MS finish; all others aqua regia digestion, ICP/MS finish

Drilling

As near as can be determined from publically available assessment reports there has not been any drilling done within the current boundaries of the Northern Champion Property.

Sampling Preparation, Analysis and Security

The following descriptions of the analytical procedures used were obtained from the Actlabs website. The Qualified Person personally observed the sampling procedures used by Rich River personnel, and confirms that they are appropriate for the purposes of characterizing the mineralogy and grade of sulphide mineralization that occurs on the Property.

Rock chip samples taken on the Northern Champion Property were kept secure prior to shipment to Actlabs, Kamloops, BC. At the lab samples were dried and subjected to a 4 inch wide jaw crusher in order to achieve -6 millimetre sized material, and then split into sub-samples using a riffle splitter creating a 250 gram representative sample that is pulverized to 75 micron (0.075 millimetres) size material using a ring and puck style steel grinding mill. The pulverized sample is reduced to 0.5 grams used for multi-element ICP and 20 grams used for Au geochemical analysis. QA/QC procedures were applied to all geochemical data documented, and all instrumentation was operated in accordance with operating instructions as supplied by manufacturer. Equipment checkout and calibration activities occurred prior to sampling/operation. All calibration was documented. Actlabs is independent of the Company.

Quality assurance and quality control of sample data was acted upon in order to generate representative quantitative geochemical analysis results. The author of the Technical Report believes that adequate preparation, security and analytical procedures have been applied with regard to rock samples collected on and shipped from the Northern Champion Property.

This 50,000 square foot Actlabs laboratory in Kamloops has been in operation since 2012. It is staffed by experienced personnel and houses state-of-the-art equipment and instrumentation for Sample Preparation, Fire Assay, ICP-OES, ICP-MS, XRF, Atomic Absorption, Gravimetry, Leco Carbon/Sulphur, Mercury Analysis, and Davis Tube Magnetic Separation. The laboratory is ISO/IEC 17025 Accredited (Lab 790) by the Standards Council of Canada for specific methods listed in the scope of accreditation available at <https://www.scc.ca/en/palcan/1088>. Rock samples collected in 2016 were submitted to Actlabs for routine aqua regia digestions and ICP/MS finish (Actlabs code UT-1M). In this technique a 0.5 g sample is digested in aqua regia at 90 °C in a microprocessor-controlled digestion block for 2 hours. Digested samples are diluted and analyzed by Perkin Elmer Sciex ELAN 6000, 6100 or 9000 ICP/MS. One blank is run for every 68 samples. An in-house control sample is run every 33 samples. Digested standards are run every 68 samples. After every 15 samples, a digestion duplicate is analyzed. The Instrument is recalibrated every 68 samples. Detection and upper limits for each element included in analytical package UT-1M is given in the following table.

Table 11. Elements and Detection Limits (ppm, except where noted) for Actlabs analytical package UT-1M

Element	Detection Limit	Upper Limit	Element	Detection Limit	Upper Limit	Element	Detection Limit	Upper Limit
Ag	0.1	100	Fe *	0.01 %	30 %	S ⁺	1 %	20 %
Al *	0.01 %	8 %	Ga *	1	1,000	Sb *	0.1	500
As	0.5	10,000	Hg	0.01	10,000	Sc *	0.1	10,000
Au *	0.5 ppb	1,000 ppb	K *	0.01 %	5 %	Se *	0.5	10,000
B *	20	2,000	La *	1	10,000	Sr *	1	5,000
Ba *	1	10,000	Mg *	0.01 %	10 %	Te *	0.2	500
Bi *	0.1	2,000	Mn *	1	10,000	Th *	0.1	200
Ca *	0.01 %	50 %	Mo *	0.1	10,000	Ti *	0.001 %	10 %
Cd *	0.1	2,000	Na *	0.001 %	5 %	Tl *	0.1	500
Co	0.1	5,000	Ni *	0.1	10,000	V *	2	1,000
Cr *	1	10,000	P *	0.001 %	5 %	W *	0.1	200
Cu	0.1	10,000	Pb	0.1	5,000	Zn *	1	5,000

Note:

Assays are recommended for values which exceed the upper limits.

Au is semi-quantitative due to the small sample size.

* Element may only be partially extracted.

+ Sulphide sulphur and soluble sulphates are extracted.

The Au, Pt and Pd concentrations in samples collected in 2016 were determined using a combination of fire assay and ICP/MS finish (Actlabs code 1C-Exp 2). In this technique a sample size of 5 to 50 grams can be used but the routine size is 30g for rock pulps, soils or sediments (exploration samples). The sample is mixed with fire assay fluxes (borax, soda ash, silica, litharge) and with Ag added as a collector and the mixture is placed in a fire clay crucible. The mixture is then preheated at 850°C, intermediate 950°C and finish 1060°C with the entire fusion process lasting 60 minutes. The crucibles are then removed from the assay furnace and the molten slag (lighter material) is carefully poured from the crucible into a mould, leaving a lead button at the base of the mould. The lead button is then placed in a preheated cupel which absorbs the lead when cupelled at 950°C to recover the Ag (doré bead) + Au, Pt and Pd.

The Ag doré bead is digested in hot (95°C) HNO₃ + HCl. After cooling for 2 hours the sample solution is analyzed for Au, Pt, Pd by a Perkin Elmer Sciex ELAN 6000, 6100 or 9000 ICP/MS. On each tray of 42 samples there are two method blanks, three sample duplicates, and 2 certified reference materials.

If values exceed upper limits, reanalysis by fire assay Au, Pt, Pd (Code 8) is recommended. The analytical technique used to determine Au and PGE's using fire assay and ICP/MS is described in Hoffman et al. (1998, 2002).

Table 12. Elements and Detection Limits (ppb) for Actlabs Analytical Technique 1C-EXP2.

Element	Detection Limit	Upper Limit
Au	1	30,000
Pt	0.5	30,000
Pd	0.5	30,000

Selected samples were also analyzed for PGE's using Actlabs Nickel Sulphide Fire Assay technique (Code 1B1-NiS Fire Assay-INAA). In this technique samples up to 25g in size are fire assayed using a nickel sulphide (NiS) fire assay procedure. The nickel sulphide button is dissolved in concentrated HCl and the resulting residue which contains all the PGE and Au are collected on a filter paper. This residue undergoes 2 irradiations and 3 separate counts to measure all the PGE and Au. One batch of 34 samples includes 2 blanks, 3 certified standards and 3 duplicates.

Instrumental Neutron Activation Analysis (INAA) is an analytical technique which is dependent on measuring gamma radiation induced in the sample by irradiation with neutrons. The primary source of neutrons for irradiation is usually a nuclear reactor. Each element which is activated emits a "fingerprint" of gamma radiation which can be measured and quantified. Multi-element analyses of practically any material, from the smallest sample which can be weighed accurately to very large samples, have been analyzed routinely by INAA. This analytical technique is discussed in Hoffman (1978) and Hoffman et al. (1992).

Data Verification

The Qualified Person collected 4 check samples during his visit to the Property in October, 2016. These samples (NC16-001 to NC16-004) were collected at or near sample sites 0016P, 0015P, 0006P and 663286 respectively. These samples were shipped by the Qualified Person to Actlabs in Kamloops for Fire Assay – ICP/MS analyses of Au, Pt and Pd (package 1C-EXP2). Table 13 compares the results for Au, Pt and Pd for these samples and samples collected by Rich River at the same site. As shown in the table the results obtained were comparable. Note that sample 663286 was not submitted for fire assay – ICP/MS analysis for Au, Pt and Pd. The Au value shown in Table 14 was determined using Aqua Regia digest and an ICP/MS finish. However, both this sample and check sample NC16-004 indicate slightly anomalous Au concentrations. Sample 0016P and check sample NC16-001 also returned above background level Au values of 351 and 279 ppb respectively. All samples in Table 13 returned low Pt and Pd values. The results indicate that the potential for anomalous concentrations of these elements at the sites sampled is low. Check samples collected by the Qualified person were only analyzed for Au, Pt and Pd. The Qualified Person observed visible copper mineralization in the form of malachite, azurite and chalcopyrite at the sample sites visited but the samples collected by the Qualified Person were not analyzed for Cu and other base metals. Therefore, the analytical results obtained by Rich River for these elements have not been verified.

Table 13. Comparison of analytical results for Au, Pt and Pd in check samples collected by the Qualified Person (NC16-001 to N16-004) and samples collected by Rich River (bold type).

Sample Nos.	UTM E	UTM N	Au ppb	Pt ppb	Pd ppb	Area	Site Description
0016P	651555	5487027	351	2.5	1.7	North Central	Carbonate-altered mafic gniess at pyroxenite contact. Trace chalcopyrite, up to 1 % pyrite. Possible galena flakes.
NC16-001	651560	5487024	279	24	16		
'0015P	651555	5487027	12	16	25	North Central	Medium grained magnetite pyroxenite with 1 % chalcopyrite disseminated in fine grains. Malachite on some fractures.
NC16-002	651553	5487029	11	15	70		
'0006P	652115	5486240	6	2.2	8	Upper Road	Pyrite veined ultramafic rock. Magnetite 30 to 80 %, disseminated pyrite 1 % to 10 %, sparse chalcopyrite.
NC16-003	652112	5486239	6	3.2	14		
663286	1537	5486852	88.7	n.d.	n.d.	South Central	Fine-grained ultramafic rock with 1 % chalcopyrite in very fine grains plus large blebs in carbonate veinlets.
NC16-004	651536	5486851	49	23	81		

Note: n.d. = not determined; Au determined by Aqua regia – ICP/MS for sample 663286; all other values Fire Assay and ICP/MS.

Mineral Resource and Mineral Reserve Estimates

There has not been sufficient drilling to determine subsurface extent and overall grade of mineralization on the Northern Champion Property. There are no historical mineral resource estimates for any of the showings on the Northern Champion Property.

Interpretation and Conclusions

The rock geochemical sampling done in 2016 has shown the widespread occurrence of copper mineralization within the hornblende pyroxenite border phase of the TUC. Locally samples have also returned anomalous Pt, Pd and Au values. Au was determined by aqua regia digestion and an ICP/MS finish. Selected samples were also analyzed for Au, Pt and Pd using fire assay and an ICP/MS finish. Two samples, 0470 and 0452, were strongly anomalous in Pt, returning 287 ppb and 546 ppb respectively and three samples - 0470, 0454 and 0452, were strongly anomalous in Pd returning 437 ppb, 474 ppb and 1370 ppb respectively. The best Au result was for a sample from the Upper Road area which returned 841 ppb Au (fire assay – ICP/MS method). These showings, many of which are new, are classified as Alaskan type PGE occurrences associated with emplacement and crystallization of the ultramafic rocks. There is no evidence of any previous work on these showings even though historically the area was covered by a number of crown granted mineral claims. In recent years there has been extensive logging and road building on the Northern Champion Property and this has resulted in many new rock exposures of the hornblende pyroxenite border phase of the Tulameen Complex and associated veins and disseminations of pyrite, chalcopyrite and malachite. Exploration of these new mineral occurrences is at a very early stage and their overall extent and economic significance is not known at this time.

Exploration and Development

In the author of the Technical Report's opinion, based on the results of the 2016 rock geochemical program, the Northern Champion Property is a property of merit and additional expenditure on mineral exploration is warranted. The main focus of this work should be to determine the overall extent and grade of the new showings discovered in 2016, particularly in the Upper Road Area. This work would involve additional close spaced rock chip sampling, hand trenching and a soil geochemical grid. A Beep Mat geophysical survey would also assist in identify areas where near surface sulphide and/or magnetite mineralization might exist. Depending on the results of this work, a second stage of exploration would involve diamond drilling of the best targets.

Budget details for the recommended 2 phase exploration program are listed in Table 14 and 15: The Company will not be able to complete Phase 2 of the exploration program without raising additional funds.

Table 14. Proposed Phase 1 Budget for the Northern Champion Property.

ITEM	COST (\$)
Geologist, & 2 Geotechnicians, 45 days	64,000
Analysis & assays soil, rock samples	9,500
Equipment and Supplies	7,500
Communication	1,000
Meals & Accommodations	4,500
Transportation	4,000
Report writing	5,500
Beep Met equipment rental	5,000
PHASE 1 TOTAL	101,000

**Table 15. Proposed Phase 2 Budget for the Northern Champion Property
(Contingent on positive results from Phase 1)**

ITEM	COST (\$)
Geologist, & 2 Geotechnicians, 18 days	14,000
Core drilling 500 meters	50,000
Assays & analysis 180	5,900
Equipment and Supplies	3,000
Communication	1,000
Meals & Accommodations	4,600
Transportation	4,000
Report	2,500
Contingencies	15,000
PHASE 1 TOTAL	100,000

USE OF PROCEEDS

Funds Available

The net proceeds to be received by the Company from the Offering, after deducting the balance of the estimated expenses of the Offering of approximately \$71,000 and the Agent's Commission of \$32,000, will be \$297,000. As at December 31, 2018, the Company had a working capital deficit of \$87,041. Accordingly, the Company anticipates having minimum available funds of approximately \$209,959 following Closing of the Offering. 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 and ASC.

Principal Purposes

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

	Offering Amount (\$)
Cash Payment to Optionors	5,000
Phase 1 of the work program on the Northern Champion Property	101,000
Estimated general and administrative expenses for the 12 months following the Offering	60,000
Unallocated Working Capital to fund ongoing operations	43,959
Total	209,959

The Company will not be able to complete Phase 2 of the exploration program without raising additional funds.

The Company expects to incur approximately \$60,000 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	8,000.00
Legal Expenses	500.00	6,000.00
Management Fees	3,000.00	36,000.00
Regulatory Filing Fees	666.67	8,000.00
Office Expenses	166.67	2,000.00
Total	5,000.01	60,000.00

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

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

- Richard Penn, Chief Executive Officer, President and a Director of the Company will receive management fees of \$18,000.
- Roman Rubin, Chief Financial Officer, Secretary and a Director of the Company will receive management fees of \$18,000.

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

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow and incurred losses. The Company's negative operating cash flow and losses are expected to continue for the foreseeable future. The Company cannot predict when it will reach positive operating

cash flow, if ever. Due to the expected continuation of negative operating cash flow, the Company will be reliant on future financings in order to meet its cash needs. There is no assurance that such future financings will be available on acceptable terms or at all. See “Risk Factors”

Business Objectives and Milestones

The business objectives the Company expects to achieve using the available funds are to: (i) obtain a listing of the Common Shares on the Exchange; and (ii) complete Phase 1 of the exploration program recommended in the Technical Report. The Company expects to commence Phase 1 immediately following listing, and the Company believes it will take up to 12 months to complete Phase 1 and analyze the results.

The Company’s business objectives of listing on the Exchange will occur on the date the Company lists on the Exchange. The cost of covering administrative costs for the first 12 months following listing is estimated at \$60,000. The cost of completing Phase 1 of the recommended work program is estimated at \$101,000. It is possible that it will take more than 12 months for the Company to complete Phase 1 of the recommended work program.

DIVIDENDS

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

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

MANAGEMENT’S DISCUSSION AND ANALYSIS

The following tables set forth selected financial information with respect to the Company’s audited financial statements for the years ended September 30, 2018, 2017 and 2016. The selected financial information has been derived, except where indicated, from the audited financial statements for the years ended September 30, 2018, 2017 and 2016. The following should be read in conjunction with the said financial statements.

Selected Financial Information

	Fiscal year ended September 30, 2018 (Audited) (\$)	Fiscal year ended September 30, 2017 (Audited) (\$)	Fiscal year ended September 30, 2016 (Audited) (\$)
Continuing operations			
Revenue	-	-	
General and Administrative Expenses	(57,031)	(14,911)	(37,500)
Net loss	(57,031)	(14,911)	(37,500)
Basic and Diluted loss per share	(0.01) ⁽¹⁾	(0.00) ⁽²⁾	(0.01) ⁽³⁾

Note:

- (1) Based on the weighted average of 6,466,302 common shares issued and outstanding for the period ended September 30, 2018.
- (2) Based on the weighted average of 5,075,343 common shares issued and outstanding for the period ended September 30, 2017.
- (3) Based on the weighted average of 2,500,001 common shares issued and outstanding for the period ended September 30, 2016.

Statement of Financial Position	As at September 30, 2018 (Audited) (\$)	As at September 30, 2017 (Audited) (\$)	As at September 30, 2016 (Audited) (\$)
Assets			
Current assets	10,969	32,738	-
Deferred Financing Costs	20,000	-	-
Exploration and Evaluation Assets	83,413	83,413	-
Total Assets	114,382	116,151	-
Liabilities			-
Current liabilities	66,823	28,561	-
Shareholders' Equity (Deficit)	47,559	87,590	-
Total Liabilities and Shareholders' Equity	114,382	116,151	-

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 years ended September 30, 2018, 2017 and 2016. 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 years ended September 30, 2018, 2017 and 2016. The Company prepares and files its financial statements in accordance with IFRS. The currency referred to in the MD&A is in Canadian Dollars.

Overall Performance

The Company is a junior exploration company engaged in the exploration and development of the Northern Champion 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 the 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.

Since incorporation on June 23, 2015, the Company’s activities included the acquisition of the Northern Champion Property, an initial exploration program on the Northern Champion Property and activities related to the Offering. See “Business of the Company – Three Year History” and “Northern Champion Property”.

Results of Operation

The Company reported a net loss of \$57,031 (2017 -\$14,111) (2016 - \$37,500), during fiscal 2018. The main factors that contributed to the loss in the 2018 period were advertising and promotion costs of \$Nil (2017 - \$634) (2016 - \$Nil), management fees of \$31,500 (2017 - \$12,000) (2016 - \$Nil), office and miscellaneous fees of \$99 (2017 - \$374) (2016 - \$Nil), professional fees of \$14,932 (2017 - \$1,903) (2016 - \$Nil), share based payments of \$Nil (2017 - \$ Nil) (2016 – \$37,500), and rent of \$10,500 (2017 - \$Nil) (2016 - \$Nil).

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

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

From inception on June 23, 2015, to September 30, 2018, the Company completed the following equity financings: (i) the sale of 2,500,000 units at a price of \$0.005 per unit, with each unit consisting of one Common Share and one share purchase warrant exercisable at a price of \$0.005 per share for total proceeds of \$12,500; (ii) the sale of 3,000,000 Common Shares at a price of \$0.02 per share for proceeds of \$60,000; (iii) the sale of 500,000 Common Shares at a price of \$0.02 per share for proceeds of \$10,000; and (iv) the sale of 1,850,000 Common Shares at a price of \$0.02 per share for proceeds of \$37,000.

Liquidity and Capital Resources

The Company reported working capital surplus of \$4,177 and cash on hand of \$28,724 at September 30, 2017 and a working capital deficit of \$55,854 and cash on hand of \$5,143 at September 30, 2018.

The Company anticipates having \$209,959 in available funds upon completion of the Offering. The Company estimates that the capital required to carry out Phase 1 of the recommended exploration program on the Northern Champion Property and to pay the Optionors the next installment pursuant to the Northern Champion Option Agreement, is \$106,000. In addition, the Company also anticipates that it will be required to incur approximately \$60,000 in general and administrative expenses. After giving effect to these allocations, the Company anticipates it will have \$43,959 in unallocated working capital upon completion of the 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

During the year ended September 30, 2018, Richard Penn, the Company's Chief Executive Officer, President and Director, received \$10,500 (2017 - \$6,000) (2016 - \$Nil) in management fees and \$Nil (2017 - \$Nil) (2016 - \$18,750) in share based compensation expenses was recorded in relation to units purchased by Mr. Penn.

During the year ended September 30, 2017, Roman Rubin, the Company's Chief Financial Officer, Secretary and Director, received \$10,500 (2017 - \$6,000) (2016 - \$Nil) in management fees and \$Nil (2017 - \$Nil) (2016 - \$18,750) in share based compensation expenses was recorded in relation to units purchased by Mr. Rubin.

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

Changes in Accounting Policies

The Company has reviewed the below new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not yet adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

IFRS 16 Leases

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties of a contract: the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

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

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee (“IFRIC”) that are mandatory for accounting periods beginning on or after January 1, 2019, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the above disclosure. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company’s financial statements.

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.

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 years ended September 30, 2018, 2017 and 2016.

Mineral Properties – Exploration and Evaluation

The following table sets out the total deferred exploration costs recorded by the Company for the Northern Champion Property as at September 30, 2018:

	As at September 30, 2018 (Audited)	As at September 30, 2017 (Audited)	As at September 30, 2016 (Audited)
Balance, beginning of period	\$ 83,413	-	-
Acquisition Costs			
Cash	-	5,000	-
Total Deferred Acquisition Costs	-	5,000	-
Deferred Exploration Costs			
- Field Report		3,800	
- Geophysics and Sampling		39,830	
- Assays		4,858	
- Mapping		23,846	
- 43-101 Report		6,079	
Total Deferred Exploration Costs	-	78,413	-
Balance, end of period	\$ 83,413	83,413	-

General and Administrative Expenses

The following table sets out the general and administrative expenses of the Company for the years ended September 30, 2018, 2017 and 2016:

Item	Year ended September 30, 2018 (Audited)	Year ended September 30, 2017 (Audited)	Year ended September 30, 2016 (Audited)
Advertising and promotion	-	634	-
Management fees	31,500	12,000	-
Office and miscellaneous	99	374	-
Professional fees	14,932	1,903	-
Rent	10,500	-	-
Share-based payments	-	-	37,500
Total	\$ 57,031	\$ 14,911	\$ 37,500

Additional Disclosure for Junior Issuers

As set out in the section titled "Use of Proceeds", if the Offering is completed, the Company anticipates having general working capital of \$43,959 following completion of the recommended Phase 1, payments to the Optionors and after meeting the budgeted administrative costs for the next 12 months of \$60,000. 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 on the Northern Champion Property in accordance with the recommendations of the Qualified Person, the Company will have achieved one of its material stated business objectives which is to determine whether the Northern Champion Property contains mineralized deposits and whether the results warrant the Company carrying out further work on the Northern Champion Property.

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

Disclosure of Outstanding Security Data

The Company has one class of shares outstanding, being Common Shares. As of the date of this prospectus, 7,850,001 Common Shares were issued and outstanding. See "Description of the Securities Distributed".

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Authorized Capital

The authorized capital of the Company consists of an unlimited amount of authorized Common Shares, of which 7,850,001 Common Shares were issued and outstanding as at the date of this prospectus, and an unlimited number of preferred shares, of which none are issued and outstanding.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are

entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Preferred Shares

The holders of the preferred shares are not entitled to receive notice of and not entitled to vote at 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 that is equal to 8% of the number of Common Shares sold pursuant to this Offering at the price of \$0.10 per Common Share for a period 24 months from the Listing Date. The Agent's Warrants will be qualified under this prospectus. See "Plan of Distribution".

CONSOLIDATED CAPITALIZATION

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

	September 30, 2018	As at the date hereof	After giving effect to the Offering
	\$119,501	\$119,501	\$519,501
Common Shares	(7,850,001 Common Shares)	(7,850,001 Common Shares)	(11,850,001 Common Shares) ⁽¹⁾
Agent's Warrants	Nil	Nil	320,000
Options	Nil	Nil	Nil
Warrants	Nil	Nil	Nil
Long Term Liabilities	Nil	Nil	Nil

Notes:

- (1) Does not include the 100,000 Common Shares to be issued pursuant to the Northern Champion Property Agreement.

OPTIONS TO PURCHASE SECURITIES

The Directors of the Company adopted a stock option plan on July 31, 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 not be less than the greater of the closing market price of the Common Shares on the Exchange on the trading day prior to the date of grant and the closing market price of the Common Shares on the Exchange on the date of grant. The Stock Option Plan provides that the number of Common Shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares, if the individual is a director, officer, employee or consultant, or 1% of the issued Common Shares, if the individual is engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate as follows: (i) immediately in the event of dismissal with cause; (ii) in the event of dismissal without cause, the earlier of the expiry date of the option, the 30th day after dismissal or, if the optionee is subject to the tax laws of the USA, the earlier of the 30th day and third month after the optioned is dismissal or (iii) in the case of death or disability, the earlier of the expiry date of the option and 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 June 23, 2015, the Company has completed the following distributions of its securities:

- (a) On June 23, 2015, the Company issued one Common Share at a price of \$1.00 per share, this Common Share will be escrowed in accordance with the terms of the Escrow Agreement.
- (b) On January 12, 2016, the Company issued 2,500,000 units at a price of \$0.005 per unit for total proceeds of \$12,500. Each unit is comprised of one Common Share and one share purchase warrant (a “Founder Warrant”) exercisable at a price of \$0.005 per share for a period of two years from the date of issuance. All 2,500,000 Common Shares, will be escrowed in accordance with the terms of the Escrow Agreement.
- (c) On December 31, 2016, the Company issued 3,000,000 Common Shares at a price of \$0.02 per share for total proceeds of \$60,000. 2,500,000 of these shares will be escrowed in accordance with the terms of the Escrow Agreement.
- (d) On January 31, 2017, the Company issued 500,000 Common Shares at a price of \$0.02 per share for total proceeds of \$10,000.
- (e) On June 30, 2018, the Company issued 1,850,000 Common Shares at a price of \$0.02 per share for total proceeds of \$37,000.

ESCROWED SECURITIES

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

The following securities of the Company (the “Escrowed Securities”) are held by, and are subject to the terms of an escrow agreement dated January 24, 2019, among the Company, National Issuer Services Ltd., as escrow agent, and the holders of the Escrowed Securities, being Roman Rubin, Renat Mataev, Richard Penn and Alexander Tarasov (the “Escrow Agreement”):

Designation of Class	Number of Securities	Percentage of Issued Shares Prior to Completion of the Offering	Percentage of Issued Shares on Completion of the Offering
Common Shares	5,000,001	63.69%	41.08% ⁽¹⁾

Notes:

- (1) Does not include the 100,000 Common Shares to be issued pursuant to the Northern Champion Option Agreement.

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

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

Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the listing date (as defined by NP 46-201), with the remaining escrow securities being released in 15% tranches every 6 months thereafter.

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

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

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

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

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

Under the terms of the Escrow Agreement, 10% of each escrowed shareholder’s shares (a total of 500,000 Common Shares) will be released from escrow on the Listing Date. The remaining 4,500,001 Common Shares which will be held in escrow immediately following the Listing Date.

PRINCIPAL SHAREHOLDERS

As at the date of this prospectus, 7,850,001 Common Shares were issued and outstanding. The following table lists the persons who own or will own after the Offering, directly or indirectly, 10% or more of the issued and outstanding Common Shares:

Name⁽³⁾	Number and Class of Shares Owned	Number and Class of Shares Owned After Offering	Type of Ownership	Percentage of Common Shares Owned Prior to Giving Effect to the Offering	Percentage of Common Shares Owned After Giving Effect to the Offering^{(1) (2)}
Richard Penn	1,333,333 Common Shares	1,333,333 Common Shares	Direct	16.99%	11.25%
Roman Rubin	1,333,334 Common Shares	1,333,334 Common Shares	Direct	16.99%	11.25%
Alexander Tarasov	1,333,334 Common Shares	1,333,334 Common Shares	Direct	16.99%	11.25%
Renat Mataev	1,000,000 Common Shares	1,000,000 Common Shares	Direct	12.74%	8.44%

Notes:

- (1) Assuming that no Common Shares are purchased by these persons under the Offering.
- (2) On a fully-diluted basis, assuming that the Agent’s Warrants are exercised, and the 100,000 Common Shares to be issued pursuant to the Northern Champion Option Agreement are issued, the Company will have 12,270,001 Common Shares issued and outstanding and Richard Penn will own 10.87%, Roman Rubin will own 10.87%, Alexander Tarasov will own 10.87% and Renat Mataev will own 8.15% of the issued and outstanding Common Shares.

DIRECTORS AND EXECUTIVE OFFICERS

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

Name, Municipality of Residence and Age	Principal Occupations during past five years	Position with the Company	Director or Officer Since	Securities Held ⁽²⁾	Percentage of Securities Held
Richard Penn, 37, Vancouver, B.C. ⁽¹⁾ Canada	Director of Black Tusk Resources Inc. (November 2016 – Present) and CEO (May 2017 – Present); (Officer and Director of Maccabi Ventures Inc. (CNSX: MBE) (Chief Executive Officer from March 2015 – November 2016, President from November 2014 – November 2016 and Director from November 2014 – June 2017); and Investment Advisor at Mackie Research Capital Corp. (August 2009 – July 2013).	Chief Executive Officer, President and Director	June 2015	1,333,333 Common Shares	16.99%
Roman Rubin, 34, Port Moody, B.C. Canada	Director of Black Tusk Resources Inc. (November 2016 – Present) and CFO & Secretary (May 2017 – Present); Chief Financial Officer, Secretary and Director of Maccabi Ventures Inc., (CNSX: MBE) (November 2014 – November 2016); VP Dealing Representative of Quantus Investments Corp. (September 2013 – April 2014); VP Wealth Management, Branch Manager & Dealing Representative of League Investment Services (September 2010 – September 2013).	Chief Financial Officer, Secretary and Director	June 2015	1,333,334 Common Shares ⁽³⁾	16.99%
Alexander Tarasov, 32, Vancouver, B.C. ⁽¹⁾ Canada	Director of Black Tusk Resources Inc. (December 2016 – Present); Anti-Money Laundering Investigator for Prime Hires Inc. (March 2017 – May 2017) Compliance Specialist at Citco (Canada) Inc. (May 2013 – March 2017); Finance Manager for the Attica Group (October 2010 to September 2011).	Director	December 2016	1,333,334 Common Shares	16.99%
Renat Mataev, 39, Vancouver, B.C. ⁽¹⁾ Canada	Director of Black Tusk Resources Inc. (December 2016 – Present) and Self Employed Real Estate Broker (April 2001 – Present).	Director	December 2016	1,000,000 Common Shares	12.74%
Perry Grunenberg, 61 Kamloops, B.C. Canada	Director for Black Tusk Resources Inc. (August 2017 – Present) Geoscientist for BC Groundwater Consulting Ltd. (January 2016 – Present). Partner at VPG Geoscience, (April 2010 – Present). Geoscientist for PBG Geoscience (1994 – 2012).	Director	June 2018	Nil	Nil
Total Securities				5,000,001 Common Shares	63.69%

Notes:

- (1) Member of the Audit Committee.
(2) 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.

Richard Penn - *Age 37, Chief Executive Officer, President, Promotor and Director*

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

Mr. Penn will serve as a member of the audit committee. Mr. Penn will devote approximately 50% of his time to the Company or such greater amount of time as is necessary. Mr. Penn has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Penn is an independent contractor of the Company.

Roman Rubin – *Age 34, Chief Financial Officer, Secretary, Promotor and Director*

Mr. Rubin has served as a director and Chief Financial Officer of Black Tusk Resources Inc., a mineral exploration public company listed on the Canadian Securities Exchange, since November 2016. Mr. Rubin served as a Chief Financial Officer, Secretary and as a director of Maccabi Ventures Inc., a mineral exploration public company listed on the Canadian Securities Exchange, from November 2014 to November 2016. Mr. Rubin was a Vice President - Dealing Representative of Quantus Investments Corp. from September 2013 to April 2014. Mr. Rubin was a Vice President - Wealth Management, Branch Manager & Dealing Representative of League Investment Services from September 2010 to September 2013. Mr. Rubin completed the CSI Canadian Securities Course in April of 2011 and the Exempt Market Dealer Course in May of 2010.

Mr. Rubin will be responsible for the accounting activities of the Company. Mr. Rubin will devote approximately 50% of his time to the Company or such greater amount of time as is necessary. Mr. Rubin has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Rubin is an independent contractor of the Company.

Alexander Tarasov - *Age 32, Director*

Mr. Tarasov has served as director of of Black Tusk Resources Inc., a mineral exploration public company listed on the Canadian Securities Exchange, since December 2016. Mr. Tarasov served as an anti-money laundering investigator for Prime Hires Inc., from March 2017 to May 2017. Mr. Tarasov was a compliance specialist for Citco (Canada) Inc. from May 2013 to March 2017. Citco provides niche financial services to hedge funds, private equity and real estate firms, institutional banks, Global 1000 companies, and high net worth individuals. Mr. Tarasov was employed as finance manager of Attica Group in Russia from October 2010 to September 2011. Mr. Tarasov is a certified anti-money laundering specialist receiving his certification from the Association of Certified Anti-Money Laundering Specialists. Mr. Tarasov has a Business Accounting Diploma from Sheridan Business School in Ontario and a Master's Degree in Economics and Business Administration from Kazan State Technical University in Russia.

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

Renat Mataev - *Age 39, Director*

Mr. Mataev has served as a director of Black Tusk Resources Inc., a mineral exploration public company listed on the Canadian Securities Exchange, since December 2016. Mr. Mataev has been a self employed real estate broker for over 15 years, specializing in luxury home sales and development. Mr. Mataev was a high rise building property manager for Tridel from January 2007 to January 2011. Mr. Mataev was also Financial Adviser for RBC Royal Bank from April 2002 to July 2004 specializing in asset

management for VIP clientele. Mr. Mataev is fluent in English, Russian, French and Hebrew. Mr. Mataev has a BA in Political Science and Economics from York University.

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

Perry Grunenberg - Age 61, Director

Mr. Grunenberg has served as a director of Black Tusk Resources Inc., a mineral exploration public company listed on the Canadian Securities Exchange, since August 2017. Mr. Grunenberg has served as a Geoscientist for BC Groundwater Consulting Ltd., a private exploration consulting firm, since May 2016. Mr. Grunenberg has also served as a Partner at VPG Geoscience, private mineral exploration firm, since 2010. Mr. Grunenberg has served as a Volunteer for the Association for Mineral Exploration BC since January 2015. Mr. Grunenberg was also a regional group appointee director for the Association for Mineral Exploration BC from January 2012 to January 2015. Mr. Grunenberg was a Geoscientist for PBG Geoscience from 1994 to 2012. Mr. Grunenberg holds a BSC in Geology from the University of British Columbia, as well as a variety of post-graduate certificates and is member of the Professional Engineers and Geoscientists of British Columbia.

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

Cease Trade Orders

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

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

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

Bankruptcies

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

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

Penalties or Sanctions

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

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

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

Personal Bankruptcies

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

Conflicts of Interest

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

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

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

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

Significant Elements

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

Cash Salary

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

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

Stock Options

The Company's Stock Option Plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. Stock option grants are based on the total of stock options available under the Stock Option Plan. In granting stock

options, the Board of Directors reviews the total of stock options available under the Stock Option Plan and recommends grants to newly retained executive officers at the time of their appointment, and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when determining whether and how new option grants should be made to the executive. The exercise periods are to be set at the date of grant. The stock option grants may contain vesting provisions in accordance with 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 \$1,500 per month and its Chief Financial Officer a total of \$1,500 per month.

Summary Compensation Table

The following table sets forth information about compensation paid to, or earned by, the Company's Named Executive Officers during the years ended September 30, 2018, 2017 & 2016.

Name and Principal Position	Year	Salary (\$)	Share Based Awards (\$)	Option Based Awards (\$)	Non Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long Term Incentive Plans (\$)			
Richard Penn Chief Executive Officer & President	2018	10,500	NIL	NIL	NIL	NIL	NIL	NIL	10,500
	2017	6,000	NIL	NIL	NIL	NIL	NIL	NIL	6,000
	2016	NIL	NIL	NIL	NIL	NIL	NIL	18,750 ⁽¹⁾	18,750
Roman Rubin Chief Financial Officer & Secretary	2018	10,500	NIL	NIL	NIL	NIL	NIL	NIL	10,500
	2017	6,000	NIL	NIL	NIL	NIL	NIL	NIL	6,000
	2016	NIL	NIL	NIL	NIL	NIL	NIL	18,750 ⁽²⁾	18,750

Note:

- (1) Relates to the sale of 1,250,000 units at a price of \$0.005 per unit to Mr. Penn.
- (2) Relates to the sale of 1,250,000 units at a price of \$0.005 per unit to Mr. Rubin.

Incentive Plan Awards

The following table sets forth all outstanding share based and option based awards to the Named Executive Officers as at the fiscal year ended September 30, 2018.

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

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

Director Compensation

The following table sets forth the compensation paid to the Company's Directors for the year ended September 30, 2018.

Name	Fees Earned (\$)	Share-based awards (\$)	Option-based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Renat Mataev	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Alexander Tarasov	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Perry Grunenberg	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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

Termination and Change of Control Benefits

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

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not as of the date of this prospectus, nor has there been since inception on June 23, 2015, 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 July 31, 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:

Richard Penn	Not Independent	Financially Literate
Renat Mataev	Independent	Financially Literate
Alexander Tarasov	Independent	Financially Literate

Relevant Education and Experience

All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements, and have an

understanding of internal controls. The members of the Audit Committee intend to maintain their currency by periodically taking continuing education courses.

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

Richard Penn: Mr. Penn has served as a director and Chief Executive Officer of Black Tusk Resources Inc. from April 2017 to present and November 2016 to present, respectively. Mr. Penn served as a Chief Executive Officer, President and as a director of Maccabi Ventures Inc., a mineral exploration public company listed on the Canadian Securities Exchange. Mr. Penn has been a self-employed consultant providing general consulting services to public companies, since August 2013. From August 2009 to July 2013, Mr. Penn was an Investment Advisor at Mackie Research Capital Corp. Mr. Penn has completed the CSI Canadian Securities Course and the CSI Wealth Management Course. Accordingly, Mr. Penn has the ability to understand financial statements relating to junior mineral resource companies.

Renat Mataev: Mr. Mataev, has been a self employed real estate broker for over 15 years, specializing in luxury home sales and development. Mr. Mataev was a high rise building property manager for Tridel from January 2007 to January 2011. Mr. Mataev was also Financial Adviser for RBC Royal Bank from April 2002 to July 2004 specializing in asset management for VIP clientele. Mr. Mataev has acted as a director of Black Tusk Resources Inc. since December 2016. Mr. Mataev is fluent in English, Russian, French and Hebrew. Mr. Mataev has a BA in Political Science and Economics from York University. Accordingly, Mr. Mataev has the ability to understand financial statements relating to junior mineral resource companies.

Alexander Tarasov: Mr. Tarasov served as an anti-money laundering investigator for Prime Hires Inc. from March 2017 to May 2017 and has acted as a director of Black Tusk Resources Inc. from December 2016 to present. Mr. Tarasov was a compliance specialist for Citco (Canada) Inc. from May 2013 to March 2017. Citco provides niche financial services to hedge funds, private equity and real estate firms, institutional banks, Global 1000 companies, and high net worth individuals. Mr. Tarasov was employed as finance manager of Attica Group in Russia from October 2010 to September 2011. Mr. Tarasov is a certified anti-money laundering specialist from the Association of Certified Anti-Money Laundering Specialists. Mr. Tarasov has a Business Accounting Diploma from Sheridan Business School in Ontario and a Master's Degree in Economics and Business Administration from Kazan State Technical University in Russia. Accordingly, Mr. Tarasov has the ability to understand financial statements relating to junior mineral resource 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 any of 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 the Audit Committee must pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

External Auditor Fees

The aggregate fees billed to the Company for the services provided by the external auditor for the fiscal years ended September 30, 2018 and 2017 are as follows:

	Year ended September 30, 2018	Year ended September 30, 2017
Audit Fees	\$ 10,000	\$ 10,000
Audit-Related Fees	8,000	-
Tax Fees	-	-
All Other Fees	-	-
Total	\$ 18,000	\$ 10,000

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 five members. The rules of the Exchange do not have independent director requirements. An "independent" director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director's independent judgment. Perry Grunenberg, Renat Mataev, Alexander Tarasov are independent directors of the Company, as aside from Common Shares held by them they have no ongoing interest or relationship with the Company other than serving as directors. Neither Richard Penn nor Roman Rubin are independent directors because of their respective positions as executive officers of the Company.

Directorships

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

Roman Rubin	Black Tusk Resources Inc.	Canadian Securities Exchange
Renat Mataev	Black Tusk Resources Inc.	Canadian Securities Exchange
Alexander Tarasov	Black Tusk Resources Inc.	Canadian Securities Exchange
Perry Grunenberg	Black Tusk Resources Inc.	Canadian Securities Exchange
Richard Penn	Black Tusk Resources Inc.	Canadian Securities Exchange

Orientation and Continuing Education

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

Ethical Business Conduct

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

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

Nomination of Directors

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

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

Compensation

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

Other Board Committees

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

Assessments

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Company's small size and the Company's stage of development, the Board of Directors considers a formal assessment process to be unnecessary 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 4,000,000 Common Shares of the Company at a price of \$0.10 per Common Share for gross proceeds of \$400,000. The issue price of \$0.10 per Common Share was determined by negotiation between the Company and the Agent in accordance with the policies of the Exchange.

The completion of the Offering is subject to a minimum subscription of 4,000,000 Common Shares for minimum gross proceeds of \$400,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the minimum subscription of \$400,000 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 120 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 agreed to indemnify the Agent and its directors, officers, employees, shareholders and agents against all liabilities arising directly or indirectly from the Agency Agreement. Notwithstanding the above, the indemnity does not include claims arising from gross negligence, dishonesty, or wilful misconduct of the Agent.

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

Agent’s Commission

The Company has agreed to pay to the Agent a cash commission equal to 8% of the aggregate gross proceeds of the Offering in consideration for its services in connection with the Offering. Such commission, together with all other expenses of the Offering, will be paid by the Company out of the proceeds of the Offering. The Company has also agreed to pay to the Agent the Corporate Finance Fee of \$25,000 upon Closing of the Offering. The Agent will also be reimbursed for its reasonable expenses including the fees and disbursements of its legal counsel. The Agent has received a retainer of \$20,000 towards such fees and expenses.

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 that is equal to 8% of the number of Common Shares sold pursuant to this Offering at the price of \$0.10 per Common Share for a period 24 months from the Listing Date. The Agent’s Warrants will be qualified under this prospectus.

Listing of Common Shares on the Exchange

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

Right of First Refusal

The Company has granted the Agent a right of first refusal to provide any future brokered equity financings the Company proposes to conduct from August 3, 2018 until 12 months from Closing.

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 Northern Champion Property is in the exploration stage and there are no known mineral resources or reserves and the proposed exploration program on the Northern Champion Property is exploratory in nature. Significant capital investment will be required to achieve commercial production from the Company's existing project. There is no assurance that the Northern Champion 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 Northern Champion 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 Northern Champion 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 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 project. There is no assurance that the Company will be able to raise the required funds to continue these activities.

Exploration, Mining and Operational Risks

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

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

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

Mining Claims

The Company's prospecting activities are dependent upon the grant of appropriate mineral tenures and regulatory comments, which may be withdrawn or made subject to limitations. Mineral claims are renewable subject to certain expenditure requirements. Although the Company believes that it will obtain the necessary prospecting licenses and permits, including but not limited to drill permits, there can be no assurance that they will be granted or as to the terms of any such grant. Furthermore, the Company is required to expend required amounts on the mineral claims of the Northern Champion 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 Northern Champion Property. There is no assurance that, in the event of losing its title to mineral claims, the Company will be able to register the mineral claims in its name without a third party registering its interest first.

Land Claims

Aboriginal rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's recent decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared Aboriginal title to lands outside of a reserve. The Company is not aware of any Aboriginal land claims having been asserted or any legal actions relating to first nation issues having been instituted with respect to any of the land which is covered by the Northern Champion Property. The legal basis of a land claim is a matter of considerable legal complexity and the impact of a land claim settlement and self-government agreements cannot be predicted with certainty. In the event that aboriginal title is asserted and proved on the Northern Champion Property, provincial and federal laws will continue to be valid provided that any infringements of aboriginal title, including mining and exploration are either consented to by Aboriginal groups or are justified. However, no assurance can be given that a broad recognition of aboriginal rights by way of a negotiated settlement

or judicial pronouncement would not have an adverse effect on the Company's activities. Such impact could be marked and, in certain circumstances, could delay or even prevent the Company's exploration or mining activities.

Assurance of Title

The Company has taken all reasonable steps to attempt to ensure that proper title to the Northern Champion 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 the Northern Champion Property will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or aboriginal land claims and title may be affected by undetected defects.

Possible Loss of Interests in Northern Champion Property

The Northern Champion Option Agreement pursuant to which the Company acquired its interest in the Northern Champion Property requires the Company to make a series of payments in cash and to issue Common Shares over certain time periods and expend certain minimum amounts on the exploration of the Northern Champion Property. If the Company fails to make such payments or expenditures within the prescribed time periods, the Company may lose its interest in the Northern Champion Property without any recourse.

Possible Failure to Obtain Mining Licenses

Even if the Company does complete the required exploration activities on the Northern Champion 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 Northern Champion 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 Northern Champion Property, require permits from various governmental authorities. Such operations are governed by laws and regulations that govern prospecting, mining, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, and other matters. Companies engaged in the development and operation of mines and related facilities generally experience

increased costs and delays in production as a result of needing to comply with applicable laws, regulations and permits. There can be no assurance that all permits that the Company requires for future, exploration, development, construction and operation of mining facilities and the conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on the operations of the Company.

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

Uninsured Risks

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

The Company is not insured against most environmental risks. Insurance against environmental risks has not been generally available to companies within the mining and exploration industry. Without such insurance, and if the Company does become subject to environmental liabilities, the costs of such liabilities would reduce or eliminate the Company's available funds or could result in bankruptcy. Should the Company be unable to fully fund the remedial costs of an environmental issue, 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 Northern Champion 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 Northern Champion 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, if successful, 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 comprehensively illustrate all material risks facing the Company, the risks noted above do not necessarily comprise all those potentially faced by the Company as it is impossible to foresee all possible risks.

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

PROMOTERS

Richard Penn, the Company's Chief Executive Officer, President and Director, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Penn owns 1,333,333 Common Shares of the Company, which is 16.99% of the Common Shares currently issued and outstanding. See "Principal Shareholders", "Directors and Executive Officers" and "Executive Compensation".

Roman Rubin, the Company's Chief Financial Officer, Secretary and Director, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Rubin owns 1,333,334 Common Shares of the Company, which is 16.99% of the Common Shares currently issued and outstanding. 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 June 23, 2015, 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 June 23, 2015; (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 June 23, 2015.

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 Manning Elliott LLP, located at Suite 1700 - 1030 West Georgia Street, Vancouver B.C. V6E 2Y3.

The transfer agent and registrar for the Common Shares is National Issuer Services Ltd., located at Suite 760 - 777 Hornby Street, Vancouver, B.C., V6Z 1S2.

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. Northern Champion Option Agreement dated October 25, 2016 between the Company, Craig A. Lynes and Rich River Exploration Ltd. See “Business of the Company”.
2. Stock Option Plan adopted July 31, 2018. See “Description of the Securities Distributed”.
3. Escrow Agreement dated January 24, 2019 among the Company, National Issuer Services Ltd., and Richard Penn, Roman Rubin Renat Mataev, and Alexander Tarasov. See “Escrowed Securities”.
4. Agency Agreement dated January 24, 2019 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) Don MacIntyre, Ph.D., P. Eng. of Victoria, British Columbia, is an independent consulting geologist and is a “qualified person” as defined in NI 43-101, and is the author responsible for the preparation of the Technical Report on the Northern Champion Property.
- (b) The audited financial statements included in this prospectus have been subject to audit by Manning Elliott LLP, and their audit report is included herein Manning Elliott LLP, is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

In addition, certain legal matters relating to the Offering will be passed upon on behalf of the Company by Northwest Law Group and Koffman Kalef LLP.

None of the foregoing persons or companies have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person or company prepared the report, valuation, statement or opinion aforementioned or thereafter.

ELIGIBILITY FOR INVESTMENT

In the opinion of Koffman Kalef LLP, tax counsel to the Company, based on the provisions of the Income Tax Act (Canada) and the regulations thereunder (collectively, the “Tax Act”) in force as of the date hereof and all proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, the Common Shares issued pursuant to the Offering, if issued on the date hereof, will be qualified investments for a trust governed by a registered retirement savings plan (“RRSP”), a registered retirement income fund (“RRIF”), a registered education savings plan (“RESP”), a deferred profit sharing

plan, a registered disability savings plan (“RDSP”) and a tax-free savings account (“TFSA”) as each of those terms is defined in the Tax Act (collectively, the “Plans”), provided that, on the date hereof, the Common Shares are unconditionally listed on a “designated stock exchange” within the meaning of Tax Act, which includes the Exchange, or the Company is a “public corporation” as defined in the Tax Act.

The Common Shares are not currently listed on a “designated stock exchange” and the Company is not currently a “public corporation”, as those terms are defined in the Tax Act. The Company has applied to list the Common Shares on the Exchange as of the day before the Closing, followed by an immediate halt in trading of the Common Shares in order to allow the Company to satisfy the conditions of the Exchange and to have the Common Shares listed and posted for trading prior to the issuance of the Common Shares on Closing. The Company must rely on the Exchange to unconditionally list the Common Shares on the Exchange and have them posted for trading prior to the issuance of the Common Shares on Closing, and to otherwise proceed in such manner as may be required to result in the Common Shares being listed on the Exchange at the time of their issuance on Closing. If the Common Shares are not unconditionally listed on the Exchange at the time of their issuance on Closing and the Company is not a “public corporation” for the purposes of the Tax Act on Closing, the Common Shares will not be qualified investments for the Plans at that time.

Notwithstanding that the Common Shares may be a qualified investment for a RRSP, RRIF, TFSA, RDSP, or RESP (each a “Registered Plan”), the annuitant of an RRSP or RRIF, the subscriber under an RESP or the holder of a TFSA or 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 provided that the Controlling Individual, together with persons with whom the Controlling Individual does not deal at arm’s length, does not own (and is deemed not to own pursuant to the Tax Act), directly or indirectly, 10% or more of the issued shares of any class of the Company or of any corporation related to the Company (for purposes of the Tax Act). 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. The purchaser should refer to any applicable provisions of the securities legislation of British Columbia and Alberta for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

Audited financial statements of the Company for the years ended September 30, 2018, 2017 and 2016 are included in this prospectus.

RAIN CITY RESOURCES INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016



INDEPENDENT AUDITORS' REPORT

To the Directors of
Rain City Resources Inc.

We have audited the accompanying financial statements of Rain City Resources Inc. which comprise the statements of financial position as at September 30, 2018, 2017 and 2016, and the statements of comprehensive loss, changes in equity and cash flows for the years ended September 30, 2018, 2017 and 2016 and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Rain City Resources Inc. as at September 30, 2018, 2017 and 2016, and its financial performance and its cash flows for the years ended September 30, 2018, 2017 and 2016 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Rain City Resources Inc. to continue as a going concern.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
January 24, 2019

RAIN CITY RESOURCES INC.
STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30
(Expressed in Canadian dollars)

	2018 \$	2017 \$	2016 \$
ASSETS			
CURRENT			
Cash	5,143	28,724	-
Amounts receivable	5,826	4,014	-
	10,969	32,738	-
DEFERRED FINANCING COSTS (Note 12)	20,000	-	-
EXPLORATION AND EVALUATION ASSET (Note 5)	83,413	83,413	-
	114,382	116,151	-
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities (Note 7)	66,823	28,561	-
SHAREHOLDERS' EQUITY			
SHARE CAPITAL (Note 6)	119,501	82,501	12,501
SHARE SUBSCRIPTIONS	-	20,000	(12,501)
CONTRIBUTED SURPLUS	37,500	37,500	37,500
DEFICIT	(109,442)	(52,411)	(37,500)
	47,559	87,590	-
	114,382	116,151	-

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
COMMITMENT (Note 11)
SUBSEQUENT EVENT (Note 12)

Approved and authorized for issue on behalf of the Board on January 24, 2019

"Richard Penn" Director "Roman Rubin" Director

The accompanying notes are an integral part of these financial statements

RAIN CITY RESOURCES INC.
STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED SEPTEMBER 30
(Expressed in Canadian dollars)

	2018	2017	2016
	\$	\$	\$
EXPENSES			
Advertising and promotion	-	634	-
Management fees (Note 7)	31,500	12,000	-
Office and miscellaneous	99	374	-
Professional fees	14,932	1,903	-
Rent	10,500	-	-
Share-based payments (Note 7)	-	-	37,500
NET LOSS AND COMPREHENSIVE LOSS	57,031	14,911	37,500
LOSS PER SHARE (basic and diluted)	\$ 0.01	\$ 0.00	\$ 0.01
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	6,466,302	5,075,343	2,500,001

The accompanying notes are an integral part of these financial statements

RAIN CITY RESOURCES INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED SEPTEMBER 30
(Expressed in Canadian dollars)

	Common Shares		Share Subscriptions	Contributed Surplus	Deficit	Total
	Number of Shares	Amount				
		\$	\$	\$	\$	\$
Balance, September 30, 2015	1	1	(1)	-	-	-
Shares issued for cash	2,500,000	12,500	(12,500)	-	-	-
Net loss for the year	-	-	-	-	(37,500)	(37,500)
Share-based payments	-	-	-	37,500	-	37,500
Balance, September 30, 2016	2,500,001	12,501	(12,501)	37,500	(37,500)	-
Shares issued for cash	3,500,000	70,000	12,501	-	-	82,501
Share subscriptions	-	-	20,000	-	-	20,000
Net loss for the year	-	-	-	-	(14,911)	(14,911)
Balance, September 30, 2017	6,000,001	82,501	20,000	37,500	(52,411)	87,590
Shares issued for cash	1,850,000	37,000	(20,000)	-	-	17,000
Net loss for the year	-	-	-	-	(57,031)	(57,031)
Balance, September 30, 2018	7,850,001	119,501	-	37,500	(109,442)	47,559

The accompanying notes are an integral part of these financial statements

RAIN CITY RESOURCES INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30
(Expressed in Canadian dollars)

	2018 \$	2017 \$	2016 \$
CASH PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
Net loss for the year	(57,031)	(14,911)	(37,500)
Item not involving cash:			
Share-based payments	-	-	37,500
	(57,031)	(14,911)	-
Changes in non-cash working capital balances:			
Amounts receivable	(1,812)	(4,014)	-
Accounts payable and accrued liabilities	38,262	11,239	-
Cash used in operating activities	(20,581)	(7,686)	-
INVESTING ACTIVITIES			
Exploration and evaluation asset expenditures	-	(66,091)	-
FINANCING ACTIVITIES			
Deferring financing costs	(20,000)	-	-
Issuance of common shares	17,000	70,000	-
Share subscriptions	-	32,501	-
Cash provided by (used in) financing activities	(3,000)	102,501	-
CHANGE IN CASH	23,581	28,724	-
CASH, BEGINNING OF YEAR	28,724	-	-
CASH, END OF YEAR	5,143	28,724	-
SUPPLEMENTAL CASH DISCLOSURES			
Interest paid	-	-	-
Income taxes paid	-	-	-

The accompanying notes are an integral part of these financial statements

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS

Rain City Resources Inc. (“the Company”) was incorporated on June 23, 2015 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is 200-551 Howe Street, Vancouver, British Columbia, Canada.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. As at September 30, 2018, the Company had not yet determined whether the Company’s mineral property asset contains ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

The Company had a deficit of \$109,442 as at September 30, 2018, which has been funded by the issuance of equity. The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

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

These financial statements were authorized for issue in accordance with a resolution from the Board of Directors on January 24, 2019.

b) Basis of presentation

The financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

c) Cash equivalents

Cash equivalents in the statements of financial position is comprised of short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

e) Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based payments expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

The fair value of warrants issued to agents in connection with private placements ("Agent Warrants") is recognized on the date of issue as a share issue cost. The Company uses the Black Scholes option pricing model to estimate the fair value of Agent Warrants issued.

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

g) Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

h) Loss per share

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

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

j) Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. The Company assigns 100% proceeds to the common shares and \$nil to warrants.

k) Income taxes

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

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

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

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

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company's cash is classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. At September 30, 2018, the Company has not classified any financial assets as loans and receivables.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that are considered other than temporary which are recognized in earnings. At September 30, 2018, the Company has not classified any financial assets as available for sale.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

m) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized costs using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in earnings. At September 30, 2018, the Company has not classified any financial liabilities as FVTPL.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

Significant accounting estimates

- i. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable; and
- ii. the inputs used in accounting for share-based payments.

Significant accounting judgments

- i. the determination of categories of financial assets and financial liabilities;
- ii. the evaluation of the Company's ability to continue as a going concern; and
- iii. the measurement of deferred income tax assets and liabilities

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

Effective for annual periods beginning on January 1, 2018

IFRS 2 Share-based Payment

The amendments clarify the classification and measurement of share-based payment transactions.

IFRS 9 Financial Instruments – Classification and Measurement

IFRS 9 is the first step in the process to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities and carries over from the requirements of IAS 39.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 is a new standards which supersedes *IAS 11 – Construction Contracts*, *IAS 18 – Revenue*, *IFRIC 13 – Customer Loyalty Programmes*, *IFRIC 15 – Agreements for the Construction of Real Estate*, *IFRIC 18 – Transfers of Assets from Customers*, and *SIC 31 – Revenue – Barter Transactions Involving Advertising Services*. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

The adoption of these standards and interpretations are not expected to have a material impact on the Company's financial statements.

Effective for annual periods beginning on January 1, 2019

New standard IFRS 16 Leases

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties of a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

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

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning on or after January 1, 2018, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list above.

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs	Exploration Costs	Total
	\$	\$	\$
Balance, September 30, 2015 and 2016	-	-	-
Acquisition and exploration costs	5,000	78,413	83,413
Balance, September 30, 2017 and 2018	5,000	78,413	83,413

Northern Champion Project

Pursuant to an option agreement (the "Agreement") dated October 25, 2016, the Company was granted an option to acquire a 100% undivided interest in the Northern Champion Project (the "Property") located near Champion Creek, south-west of Tulameen, Princeton area British Columbia.

In accordance with the Agreement, the Company has the option to acquire a 100% undivided interest in the Property by issuing a total of 700,000 common shares of the Company to the Optionors, making cash payments totaling \$130,000, and incurring a total of \$650,000 in exploration expenditures as follows:

	Number of Common Shares	Cash	Exploration Expenditures
		\$	\$
Upon execution of the Agreement (paid and incurred)	-	5,000	75,000**
Upon listing of the Company's common shares on a Canadian Stock Exchange (the "Listing")	100,000	5,000	-
On or before the first anniversary of the Listing	100,000	10,000	75,000
On or before the second anniversary of the Listing	100,000	20,000	100,000
On or before the third anniversary of the Listing	200,000	40,000	200,000
On or before the fourth anniversary of the Listing	200,000	50,000	200,000
Total	700,000	130,000	650,000

** the \$75,000 is for the first year from the execution date.

The Optionors will retain a 3% Net Smelter Returns royalty on the Property. The Company has the right to purchase the first 1% of the royalty for \$750,000 and the remaining 2% for \$1,000,000 at any time prior to the commencement of commercial production.

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

6. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Escrow Shares:

The Company entered into an escrow agreement, whereby 4,000,000 common shares will be held in escrow and are scheduled for release in accordance with the terms of the escrow agreement.

c) Issued and Outstanding as at September 30, 2018 - 7,850,001 (2017 - 6,000,001; 2016 – 2,500,001) common shares.

For the year ended September 30, 2016, the Company had the following share capital transactions:

- (i) The Company issued 2,500,000 units at a price of \$0.005 per unit for \$12,500 which was received during the year ended September 30, 2017. Each unit was comprised of one common share and one purchase warrant which entitle the holder to purchase one common share of the Company at \$0.005 per share for a period of two years. The fair value of the 2,500,000 units was estimated to be \$50,000. Accordingly, the Company recorded share-based payments of \$37,500 and a corresponding increase to contributed surplus.

For the year ended September 30, 2017, the Company had the following share capital transactions:

- (i) The Company issued 3,500,000 common shares at a price of \$0.02 per share for gross proceeds of \$70,000. 2,750,000 of those common shares were issued on a flow-through basis.

For the purposes of the calculating the tax effect of any premium related to the issuance of the flow-through shares, the Company reviewed recent financings and compared it to determine if there was a premium paid on the shares. As a result of the review the Company did not recognize any premium on the flow-through shares issued.

- (ii) The Company received cash proceeds of \$20,000 for 1,000,000 common shares subscriptions. The common shares were issued subsequent to the year ended September 30, 2017.
- (iii) The Company received cash proceeds of \$12,500 for 2,500,000 units issued during the year ended September 30, 2016.

For the year ended September 30, 2018, the Company had the following share capital transactions:

- (i) For the year ended September 30, 2018, the Company issued 1,850,000 common shares for \$37,000, of which \$20,000 was received as of September 30, 2017.

d) Warrants:

	Number of warrants	Exercise price	Expiry date
Balance, incorporation on June 23, 2015	-	\$ -	-
Issuance	2,500,000	\$ 0.005	January 12, 2018
Balance, September 30, 2016 and 2017	2,500,000	\$ 0.005	
Expired	(2,500,000)	\$ 0.005	
Balance, September 30, 2018	-	-	

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

As at September 30, 2018, an amount of \$21,000 (2017 - \$263, 2016 - \$Nil) included in accounts payable was due to a company controlled by an officer of the Company.

The Company had incurred the following key management personnel cost from related parties:

	2018	2017	2016
	\$	\$	\$
Management fees	21,000	12,000	-
Share-based payments	-	-	37,500
Total	21,000	12,000	37,500

Management fees and share-based payments were incurred from a director and a company owned by a director of the Company. Key management includes directors and key officers of the Company, including the President, Chief Executive Officer and Chief Financial Officer.

8. INCOME TAXES

The Company has losses carried forward of \$72,000 available to reduce income taxes in future years which expire between 2037 and 2038.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	2018	2017	2016
Canadian statutory income tax rate	27%	26%	26%
	\$	\$	\$
Income tax recovery at statutory rate	15,684	3,877	9,750
Effect of income taxes of:			
Change in rate and others	(286)	149	-
Permanent differences	-	-	(9,750)
Change in deferred tax assets not recognized	(15,398)	(4,026)	-
Deferred income tax recovery	-	-	-

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

8. INCOME TAXES (continued)

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	2018	2017	2016
	\$	\$	\$
Non-capital loss carry forwards	19,424	4,026	-
Deferred tax assets not recognized	(19,424)	(4,026)	-
	-	-	-

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as at September 30, 2018 are as follows:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	\$	\$	\$	\$
Cash	5,143	-	-	5,143

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at September 30, 2018 because of the demand nature or short-term maturity of these instruments.

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

10. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

RAIN CITY RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2018, 2017 AND 2016
(Expressed in Canadian dollars)

11. COMMITMENT

The Company is committed to certain cash payments, common share issuances and exploration expenditures as described in Note 5.

12. SUBSEQUENT EVENT

The Company entered into an agency agreement whereby the Agent (the "Agent") has agreed to raise on commercially reasonable efforts \$400,000 in the initial public offering ("IPO") by the issuance of 4,000,000 common shares of the Company at a price of \$0.10 per common share.

Pursuant to the terms of the agency agreement, the Company has agreed to pay to the Agent a commission of 8% of the gross proceeds of the IPO. The Company has also agreed to grant to the Agent options (the "Agent's Options") which will entitle the Agent to purchase up to 8% of the common shares sold under the IPO, at a purchase price that is equal to the price per share offered in the IPO. The Agent's options are exercisable until 24 months from the Listing Date. In addition, the Company has agreed to pay a corporate finance fee and has also agreed to pay the Agent's legal fees incurred pursuant to the IPO, and any other reasonable expenses of the Agent. As at September 30, 2018, the Company has paid \$20,000 to the Agent as a retainer. The amount has been recorded on the Statements of Financial Position as deferred financing costs.

SCHEDULE “A” - AUDIT COMMITTEE CHARTER

I. MANDATE

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

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

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 auditors of the Company.

Performance & Completion by Auditor of its Work

1. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the Auditor regarding financial reporting.
2. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.
3. Recommend to the Board the compensation of the Auditor.
4. Pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

Internal Financial Controls & Operations of the Company

1. Establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

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

Preparation of Financial Statements

1. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
2. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
3. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
4. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
5. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
 - (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.
 - (b) The management inquiry letter provided by the Auditor and the Company's response to that letter.
 - (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

1. Review the Company's annual and interim financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.
2. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
3. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

1. Consult, to the extent it deems necessary or appropriate, with the Auditor, but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
2. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
3. Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions.
4. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.

5. Make regular reports to the Board.
6. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
7. Annually review the Committee's own performance.
8. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.
9. Not delegate these responsibilities.

C. Limitation of Audit Committee's Role

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

CERTIFICATE OF THE COMPANY

Dated: January 24, 2019

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.

“Richard Penn” (signed)

Richard Penn
Chief Executive Officer and President

“Roman Rubin”(signed)

Roman Rubin
Chief Financial Officer and Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

“Renat Mataev” (signed)

Renat Mataev
Director

“Alexander Tarasov”(signed)

Alexander Tarasov
Director

CERTIFICATE OF PROMOTERS

Dated: January 24, 2019

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.

“Richard Penn” (signed)

Richard Penn
Promoter

“Roman Rubin”(signed)

Roman Rubin
Promoter

CERTIFICATE OF THE AGENT

Dated: January 24, 2019

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)

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)
<u>Public Float</u>				
Total outstanding (A)	11,950,001	12,270,001	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)	5,450,001	5,450,001	45.61%	44.42%
Total Public Float (A-B)	6,345,000	6,665,000	54.39%	55.58%
<u>Freely-Tradeable Float</u>				
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)	5,550,001	5,550,001	46.44%	45.23%
Total Tradeable Float (A-C)	6,400,000	6,720,000	53.56%	54.77%

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

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
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	13	2,950,000
	<u>13</u>	<u>2,950,000</u>

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

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	_____	_____
100 – 499 securities	_____	_____
500 – 999 securities	_____	_____
1,000 – 1,999 securities	<u>47</u>	<u>47,650</u>
2,000 – 2,999 securities	<u>6</u>	<u>12,850</u>
3,000 – 3,999 securities	<u>2</u>	<u>6000</u>
4,000 – 4,999 securities	_____	_____
5,000 or more securities	<u>97</u>	<u>6,783,850</u>
TOTAL	<u>152</u>	<u>6,850,000</u>

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

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
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	4	5,450,001
	<u>4</u>	<u>5,450,001</u>

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	320,000	320,000

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

None.		
-------	--	--

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors Rain City Resources Inc., 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 24th day of April, 2019

“Richard Penn”

Richard Penn
Chief Executive Officer

“Roman Rubin”

Roman Rubin
Chief Financial Officer

“Alexander Tarasov”

Alexander Tarasov
Director

“Renat Mataev”

Renat Mataev
Director