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

PROSPECTUS

INITIAL PUBLIC OFFERING January 22, 2020

STRAIGHTUP RESOURCES INC.

(the "Issuer")

OFFERING

Type of Securities	Number of Securities	Price per Security
Common Shares	3,500,000	$0.10

This prospectus (the "Prospectus") qualifies the distribution (the "Offering") in the provinces of British Columbia and Alberta, through Canaccord Genuity Corp. (the "Agent"), of 3,500,000 common shares without par value (the "Common Shares") in the capital of the Issuer at a price of $0.10 per Common Share (the "Offering Price") for aggregate gross proceeds of $350,000. See "Description of Securities Distributed" below. The Offering Price was determined by negotiation between the Issuer and the Agent.

The Common Shares are being offered pursuant to an agency agreement (the "Agency Agreement") dated January 22, 2020, between the Issuer and the Agent.

	Price to Public	Agent's Commission(1)	Proceeds to Issuer(2)(3)
Per Common Share	$0.10	$0.01	$0.09
Total Offering(4)	$350,000	$35,000	$315,000

Notes:

(1) Pursuant to the terms and conditions of the Agency Agreement between the Issuer and the Agent, the Issuer has agreed to pay the Agent upon closing of the Offering (the "Closing"), a cash commission (the "Agent's Commission") equal to 10% of the gross proceeds realized from the sale of the Common Shares under the Offering. In addition, the Agent will also receive that number of compensation warrants (the "Compensation Warrants") equal to 10% of the aggregate number of Common Shares issued in the Offering, which will entitle the Agent to purchase one Common Share (each a "Compensation Share") at a price that is equal to the Offering Price for a period of 24 months from the Closing Day (as defined herein). The Issuer has further agreed to pay the Agent a cash corporate finance fee of $25,000 (the "Corporate Finance Fee"). This Prospectus also qualifies for distribution the Compensation Warrants.

(2) Before deducting expenses of the Offering, to be borne by the Issuer, estimated to be $100,000.

(3) The Issuer has granted to the Agent an over-allotment option (the "Over-Allotment Option") exercisable, in whole or in part in the sole discretion of the Agent, up to 48 hours prior to the Closing, to sell up to that number of additional Common Shares equal to 15% of the Common Shares issued pursuant to this Offering. If the Over-Allotment Option is exercised by the Agent, the Issuer will issue up to 525,000 additional Common Shares (each an "Over-Allotment Option Share") for a purchase price equal to the Offering Price and up to 52,500 additional Compensation Warrants. This table excludes any Over-Allotment Option Shares issuable upon exercise of the Over-Allotment Option. See "Plan of Distribution" below.

(4) The Offering will remain open until the date that is 90 days after a receipt is issued for the final Prospectus, unless an amendment to the final Prospectus is filed and the principal regulator has issued a receipt for the amendment, in which case the Offering must cease within 90 days after the date of the receipt for the amendment to the final Prospectus. In any event, the Offering must cease at the latest 180 days from the date of the receipt for the final Prospectus. If the Offering is not complete within the distribution period, all subscription funds will be returned to investors by the Agent, without interest or deduction. The Offering will not be completed and no subscription funds will be advanced to the Issuer unless and until the minimum subscription of $350,000 has been raised.

John E. Hiner, a director of the Issuer, resides outside of Canada and has appointed the following agent for service of process in Canada.

Name of Person	Name and Address of Agent
John E. Hiner	Straightup Resources Inc. Suite 200, 551 Howe Street, Vancouver British Columbia, V6C 2C2

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

ADDITIONAL DISTRIBUTIONS

This Prospectus also qualifies for distribution 100,000 Common Shares issuable to the Optionors (as defined herein) in respect of the Hi-Mars Property (as defined herein) pursuant to the Property Option Agreement (as defined herein). See "General Development of Business" and "Plan of Distribution" below.

There is no market through which these securities may be sold, and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. The securities offered hereunder must be considered highly speculative due to the nature of the Issuer's business and an investment in the Common Shares is suitable only for those purchase who are willing to risk some or all of their investment and who can afford to lose some or all of their investment. See "Risk Factors" below.

As at the date of this Prospectus, the Issuer 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). See "Risk Factors" below.

The Issuer has applied to list its Common Shares on the Exchange and has received conditional approval for the Listing. The Listing is subject to the Issuer fulfilling all of the requirements of the Exchange.

The Agent's position is as follows:

Agent's Position	Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price or Average Acquisition Price
Over-Allotment Option(1)	Up to 525,000 Common Shares	Up to 48 hours prior to Closing	$0.10 per Over-Allotment Share
Compensation Warrants(2)(3)	Up to 402,500 Compensation Warrants(4)	Within 24 months from the Closing Day	$0.10 per Compensation Share
Total Securities Issuable to Agent	**927,500** (all of which are available under option)		

Notes:
(1) These securities are qualified for distribution by this Prospectus. See "Plan of Distribution" below.
(2) These securities are qualified compensation securities ("Qualified Compensation Securities") within the meaning of National Instrument 41-101 – *General Prospectus Requirements* ("NI 41-101") and are qualified for distribution by this Prospectus. See "Plan of Distribution" below.
(3) NI 41-101 imposes a restriction on the maximum number of securities which may be distributed under a prospectus to an Agent as compensation. Pursuant to NI 41-101, the aggregate Qualified Compensation Securities must not exceed 10% of the Common

Shares offered pursuant to this Prospectus. The Compensation Warrants are qualified under this prospectus. See "Plan of Distribution" below.
(4) Assuming the exercise of the Over-Allotment Option.

The Agent, as exclusive agent of the Issuer for the purposes of this Offering, offers the Common Shares for sale under this Prospectus at the Offering Price on a commercially reasonable efforts basis, in accordance with the Agency Agreement referred to under "Plan of Distribution" below and subject to the approval of certain legal matters on behalf of the Issuer by Lotz & Company and on behalf of the Agent by Miller Thomson LLP. No person is authorized to provide any information or to make any representation in connection with this Offering other than as contained in this Prospectus.

Subscriptions will be received subject to rejection or allotment in whole or in part by the Issuer and the right is reserved to close the subscription books at any time without notice. It is anticipated that the Common Shares will be issued as non-certificated book-entry securities through CDS Clearing and Depository Services Inc. ("CDS") or its nominee. Consequently, purchasers of Common Shares are expected to receive a customer confirmation from the registered dealer that is a CDS participant from or through which the Common Shares were purchased and no certificate evidencing the Common Shares will be issued. Registration will be made through the depository services of CDS.

AGENT

CANACCORD GENUITY CORP.
609 Granville Street, Suite 2200
Vancouver, British Columbia
V7Y 1H2

Telephone: (604) 643-7300
Facsimile: (604) 643-7606

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FORWARD-LOOKING STATEMENTS

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

Such forward-looking information is based on a number of material factors and assumptions, including, but not limited in any manner, to those disclosed in any of the Issuer's public filings that timelines regarding exploration of the Hi-Mars Property will be within industry experience, that the costs for exploration activities will not deviate significantly from recent trends, the ultimate determination of mineral reserves, if any, the availability and final receipt of required approvals, licenses and permits, sufficient working capital to develop and operate any proposed mine, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to capital and debt markets and associated costs of funds, the ability of the Issuer to retain key personnel, availability of a qualified work force and the ultimate ability to mine, process and sell mineral products on economically favourable terms. While the Issuer considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to, risks and uncertainties disclosed in this Prospectus. See "Risk Factors" below. The Issuer has no specific policies or procedures for updating forward-looking information. Forward-looking information is based upon management's beliefs, estimates and opinions on the date the statements are made and, other than as required by law, the Issuer does not intend, and undertakes no obligation, to update any forward-looking information to reflect, among other things, new information or future events.

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

ELIGIBILITY FOR INVESTMENT

In the opinion of Thorsteinssons LLP, Canadian tax counsel to the Issuer, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (the "Tax Act"), and any specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, provided the Common Shares are listed on a "designated stock exchange" (as such term is defined in the Tax Act and which currently includes the Canadian Securities Exchange (the "Exchange")) or the Issuer is otherwise a "public corporation" (as such term is defined in the Tax Act) at the particular time, the Common Shares will at that time be a "qualified investment" under the Tax Act for a trust governed by a registered retirement savings plan (a "RRSP"), a registered retirement income fund (a "RRIF"), a deferred profit sharing plan, a registered disability savings plan (a "RDSP"), a registered education savings plan (a "RESP"), and a tax-free savings account (a "TFSA" and collectively the "Plans").

The Common Shares are not currently listed on a "designated stock exchange" and the Issuer is not otherwise a "public corporation" (as such term is defined in the Tax Act). The Issuer has applied to list the Common Shares on the Exchange and has received conditional approval for the Listing. The Listing is subject to the Issuer fulfilling all of the requirements of the Exchange. The Issuer will rely upon the Exchange to list the Common Shares on the Exchange as of the day before Closing and otherwise proceed in the manner described above to render the Common Shares issued on the Closing to be listed on a designated stock exchange within the meaning of the Tax Act at the time of issuance. If the Common Shares are not listed on the Exchange at the time of their issuance on the Closing and the Issuer is not otherwise a "public corporation" at that time, the Common Shares will not be qualified investments for the Plans at that time. It is counsel's understanding that the Listing is a condition of Closing.

Notwithstanding that the Common Shares may be a qualified investment for a TFSA, RRSP, RRIF, RDSP or RESP (a "Registered Plan"), the holder of the TFSA or the RDSP, the subscriber of the RESP or annuitant of the RRSP or RRIF (as the case may be) will be subject to a penalty tax as set out in the Tax Act if the Common Shares are a "prohibited investment" for the purposes of the Tax Act. The Common Shares will be a "prohibited investment" if the holder of the TFSA or the RDSP, the subscriber of the RESP or annuitant of the RRSP or RRIF (as the case may be): (i) does not deal at arm's length with the Issuer for purposes of the Tax Act; or (ii) has a "significant interest" (within the meaning of the Tax Act) in the Issuer. 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. **Prospective holders that intend to hold Common Shares in a Registered Plan are urged to consult their own tax advisers.**

METRIC EQUIVALENTS

For ease of reference, the following factors for converting Imperial measurements into metric equivalents are provided:

To convert from Imperial	To Metric	Multiply by
Acres	Hectares (ha)	0.404686
Feet	Metres (m)	0.30480
Miles	Kilometres (km)	1.609344
Tons	Tonnes (t)	0.907185
Ounces (troy)/ton	Grams/Tonne	34.2857

GLOSSARY

"**Administrative Services Agreement**" means the Administrative Services Agreement between the Issuer and Matalia Investments Ltd., dated May 15, 2018.

"**Agency Agreement**" means the Agency Agreement, as amended, dated January 22, 2020 between the Agent and the Issuer.

"**Agent**" means Canaccord Genuity Corp.

"**Agent's Commission**" means the cash commission payable to the Agent equal to 10% of the gross proceeds in relation to this Offering.

"**Author**" means Donald George MacIntyre, Ph.D., P. Eng., the author of the Technical Report.

"**Board of Directors**" or "**Board**" means the Issuer's board of directors.

"**Closing**" means the closing of the Offering and the issuance by the Issuer of the Common Shares.

"**Closing Day**" means such day for Closing as determined by the Agent and as agreed to by the Issuer, subject to the limitations outlined under the "Use of Proceeds" heading.

"**Common Shares**" means the common shares without par value in the capital of the Issuer.

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

"Compensation Warrants" means the options granted to the Agent as compensation for its services in relation to this Offering entitling the Agent to purchase up to that amount of Compensation Shares as is equal to 10% of the aggregate number of Common Shares issued pursuant to this Offering (including any Over-Allotment Option Shares issued by the Issuer upon the exercise of the Over-Allotment Option). Each Compensation Warrant entitles the Agent to acquire one Compensation Share at the Offering Price for a period of 24 months after the Closing Day.

"**Corporate Finance Fee**" means the fee to be paid by the Issuer to the Agent on the Closing Day in consideration of corporate finance and structuring services provided by the Agent.

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

"**Escrow Agreement**" means the escrow agreement, as amended, dated effective January 7, 2020, among the Issuer, the Escrow Agent and certain securityholders of the Issuer.

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

"**Hi-Mars Property**" or the "**Property**" means the 11 contiguous mineral titles covering an area of 1,788 hectares located approximately 17 kilometres northeast of the City of Powell River in southwest British Columbia, Canada, within the Vancouver Mining Division.

"**Issuer**" means Straightup Resources Inc.

"**Listing**" means the listing of the Common Shares for trading on the Exchange.

"**Listing Date**" means the date the Common Shares are listed on the Exchange.

"**Lynes**" means Craig A. Lynes, an Optionor.

"**NI 43-101**" means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.

"**NP 46-201**" means National Policy 46-201 - *Escrow for Initial Public Offerings*.

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

"**Offering Price**" means $0.10 per Common Share.

"**Optionors**" means Rich River and Lynes collectively, and each an "Optionor".

"**Over-Allotment Option**" means the Agent's option to solicit up to 525,000 additional Common Shares to raise additional gross proceeds of up to $52,500 exercisable up to 48 hours prior to the Closing Day.

"**Over-Allotment Option Shares**" means the Common Shares to be issued upon exercise of the Over-Allotment Option.

"**Principals**" has the meaning ascribed to it in NP 46-201.

"**Property Option Agreement**" means the option agreement dated October 30, 2017, made among the Issuer and the Optionors with respect to the Hi-Mars Project.

"**Rich River**" means Rich River Exploration Ltd., an Optionor.

"**Stock Option Agreements**" mean the stock option agreements dated May 17, 2019, between the Issuer and certain directors and officers of the Issuer.

"**Stock Option Plan**" means a stock option plan approved by the Board of Directors of the Issuer on May 17, 2019, providing for the granting of incentive stock options to the Issuer's directors, officers, employees and consultants.

"**Subscriber**" means a subscriber for the Common Shares offered under this Offering.

"**Technical Report**" means the technical report dated December 11, 2019, and dated effective June 24, 2018, entitled "*Hi-Mars Mineral Property, Southwest British Columbia, Canada*" authored by Don MacIntyre, Ph.D., P. Eng.

"**Warrant**" means a Common Share purchase warrant granted by the Issuer, each Warrant entitling the holder to purchase one Common Share for the exercise price of $0.05 per share for a period of five years from the issuance date, subject to acceleration provisions whereby if the closing price of the Common Shares on a stock exchange in Canada is at least $1.00 for a minimum of ten consecutive trading days, the Issuer has the right to accelerate the expiry period of the Warrants by giving not fewer than 30 business days' written notice to the holders of the Warrants.

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

GLOSSARY OF TECHNICAL TERMS

Ag	Chemical symbol for silver.
Anomalous	A description of anything statistically out of the ordinary.
As	Chemical symbol for arsenic.
Au	Chemical symbol for gold.
Ba	Chemical symbol for barium.
Bi	Chemical symbol for bismuth.
Cd	Chemical symbol for cadmium.
Chalcopyrite	A sulphide of copper common to most copper mineral deposits.
Chlorite	A member of a group of minerals resembling micas (the tabular crystals of chlorite cleave into small, thin flakes or scales that are flexible, but not elastic like those of micas); they may also be considered as clay minerals when very fine grained. Chlorites are widely distributed, especially in low-grade metamorphic rocks, or as alteration products of ferromagnesian minerals.
Co	Chemical symbol for cobalt.
Cr	Chemical symbol for Chromium.
Cu	Chemical symbol for copper.
EM	Electromagnetic.
Epidote	A lustrous yellow-green crystalline mineral, common in metamorphic rocks. It consists of a hydroxyl silicate of calcium, aluminum, and iron.
Geochemical	Pertaining to various chemical aspects (e.g. concentration, associations of elements) of natural media such as rock, soil and water.
Hg	Chemical symbol for mercury.
Igneous Rock	A rock formed by the crystallization of magma or lava.
Magnetite	A grey-black magnetic mineral which consists of an oxide of iron and is an important form of iron ore.
Metamorphic	Pertaining to the process of metamorphism or to its results.
Mineralization	The presence of minerals of possible economic value – and also the process by which concentration of economic minerals occurs.
Mo	Chemical symbol for molybdenum.
Pb	Chemical symbol for lead.
Porphyry	An igneous rock of any composition that contains conspicuous phenocrysts in a fine-grained groundmass.
ppm	Parts per million.
Pyrite	An iron sulphide.
S	Chemical symbol for sulphur.
Sb	Chemical symbol for antimony.
Stockwork	A complex system of structurally controlled or randomly oriented veins.
Te	Chemical symbol for tellurium.
W	Chemical symbol for Tungsten.
Zn	Chemical symbol for zinc.

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 Issuer:

The Issuer was incorporated under the *Business Corporations Act* (British Columbia) on August 22, 2017, under the name "Straightup Resources Inc." and does not have any subsidiaries.

The Issuer's corporate office is located at Suite 200, 551 Howe Street, Vancouver, British Columbia, V6C 2C2, and its registered and records office is located at Lotz & Company, Suite 1170, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1.

The Issuer's Business:

The Issuer is engaged in the business of mineral exploration and the acquisition of mineral property assets in Canada. Its objective is to locate and develop economic precious and base metal properties of merit and to conduct its exploration program on the Hi-Mars Property. The Issuer currently beneficially owns 51% of the Hi-Mars Property.

Further to these objectives, the Issuer entered into the Property Option Agreement pursuant to which it is entitled to earn an undivided 100% interest in the Hi-Mars Property, subject to a 3% net smelter returns royalty.

The Issuer intends to fund the exploration of the Hi-Mars Property and its initial commitments thereon using the proceeds of its prior private placement financings and this Offering. See "Narrative Description of the Business" below.

The Property:

The Hi-Mars Property consists of 11 contiguous mineral titles covering an area of 1,788 hectares located approximately 17 kilometres northeast of the City of Powell River in southwest British Columbia, Canada, within the Vancouver Mining Division.

Management, Directors and Officers:

Matthew Coltura – Chief Executive Officer, President and Director
Mark Lotz – Chief Financial Officer, Corporate Secretary and Director
John E. Hiner – Director
Dušan Berka – Director

See "Directors and Officers" below.

The Offering:

The Issuer is offering 3,500,000 Common Shares for sale at a price of $0.10 per Common Share in the provinces of British Columbia and Alberta.

This Prospectus also qualifies the distribution of (i) up to 402,500 Compensation Warrants to the Agent; and (ii) up to 525,000 Over-Allotment Option Shares issuable upon the exercise of the Over-Allotment Option; and (iii) 100,000 Common Shares issuable to Rich River in respect of the Hi-Mars Property.

See "Plan of Distribution" below.

Use of Proceeds:

The gross proceeds to the Issuer (excluding proceeds which may be received from the exercise of the Over-Allotment Option) from the sale of the Common Shares offered hereby will be $350,000. The total funds available to the Issuer at the closing of the Offering, after deducting the estimated expenses of the Offering of $100,000, the Agent's Commission of $35,000 and the Corporate Finance Fee of $25,000, and including the Issuer's estimated working capital as at December 31, 2019 of $19,833, are estimated to be $209,833.

Principal Purpose	Funds to be Used[(1)]
To fund the Phase 1 exploration program on the Hi-Mars Property[(2)]	$112,450
To provide funding sufficient to meet administrative costs for 12 months	$95,800[(3)]
To provide general working capital to fund ongoing operations	$1,583
TOTAL:	**$209,833**

Notes:
(1) See "Use of Proceeds" below. The Issuer intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. In the event of exercise of the Over-Allotment Option, the Issuer intends to use the proceeds for general working capital and, if warranted, to fund a portion of Phase 2 of the recommended exploration program on the Hi-Mars Property. See "Recommendations" below.
(2) See "Narrative Description of the Business – Recommendations" below for a summary of the work to be undertaken, a breakdown of the estimated costs and the nature of title to, or the Issuer's interest in, the Hi-Mars Property.
(3) Of this amount, the Issuer anticipates that $36,000 will be paid as management fees to Matalia Investments Ltd., a private company controlled by Robert Coltura. See "Principal Purposes" below.

Summary of Financial Information:

The following selected financial information is subject to the detailed information contained in the unaudited interim financial statements and audited annual financial statements of the Issuer and notes thereto appearing elsewhere in this Prospectus. The selected financial information is derived from the audited financial statements of the Issuer for the year ended December 31, 2018 and the period from incorporation on August 22, 2017 to December 31, 2017 and from the unaudited financial statements for the nine months ended September 30, 2019. The Issuer has established December 31st as its financial year end.

	Nine Month Period Ended September 30, 2019 (Unaudited)	Year ended December 31, 2018 (Audited)	Period from Incorporation to December 31, 2017 (Audited)
Total revenues	Nil	Nil	Nil
Exploration expenditures and evaluation asset	$123,239	$123,239	$110,684
Consulting fees	$15,000	$36,000	Nil
Professional fees	$4,650	$653	$1,260
Office and administrative expenses	$4,189	$11,983	$369
Telephone and utilities	$1,237	$3,786	Nil
Rent	$3,750	$9,000	Nil
Share-based payments	$49,750	$30,000	Nil
Net Loss and comprehensive loss	($87,096)	($91,422)	($1,629)
Basic and diluted loss per common share	($0.01)	($0.02)	($1,629)

Total assets	$143,104	$177,338	$100,742
Long-term financial liabilities	Nil	Nil	Nil
Cash dividends per share	Nil	Nil	Nil

See "Selected Financial Information and Management Discussion and Analysis" below.

Risk Factors: An investment in the Common Shares should be considered highly speculative and investors may incur a loss on their investment. The Issuer has no history of earnings and to date has not defined any commercial quantities of mineral reserves on the Hi-Mars Property nor can there by any guarantee that such reserves may ever be defined. The Issuer currently beneficially owns 51% of the Property and has an option only to acquire the remaining 49% interest in the Hi-Mars Property and there is no guarantee that the Issuer's 100% interest, if earned, will be certain or that it cannot be challenged by claims of aboriginal or indigenous title, or unknown third parties claiming an interest in the Hi-Mars Property. The Issuer and its assets may also become subject to uninsurable risks. The Issuer's activities may require permits or licenses which may not be granted to the Issuer. The Issuer competes with other companies with greater financial resources and technical facilities. The Issuer may be affected by political, economic, environmental and regulatory risks beyond its control. The Issuer is currently largely dependent on the performance of its directors and officers and there is no assurance the Issuer can retain their services. In recent years both metal prices and publicly traded securities prices have fluctuated widely. See "Risk Factors" below.

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

CORPORATE STRUCTURE

Name and Incorporation

Straightup Resources Inc. was incorporated pursuant to the *Business Corporations Act* (British Columbia) on August 22, 2017.

The Issuer's head office is located at Suite 200, 551 Howe Street, Vancouver, British Columbia, V6C 2C2, and its registered and records office is located at Lotz & Company, Suite 1170, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1.

The Issuer has no subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

Business of the Issuer

The Issuer is engaged in the business of mineral exploration and the acquisition of mineral property assets in Canada. See "Narrative Description of the Business" below. Its objective is to locate and develop economic precious and base metal properties of merit and to conduct its exploration program on the Hi-Mars Property. The Issuer currently beneficially owns 51% of the Hi-Mars Property.

The Issuer intends to fund the exploration of the Hi-Mars Property and its initial commitments thereon using the proceeds of its prior private placement financings and this Offering. See "Narrative Description of the Business" below.

History

From the date of incorporation of the Issuer on August 22, 2017 to September 21, 2018, the Issuer completed private seed capital equity financing, raising aggregate gross proceeds of approximately $243,501. See "Description of Outstanding Securities" below for further information on the private seed capital equity financing. These funds have been, and are being, used for the acquisition, exploration and maintenance of the Hi-Mars Property and general working capital. The Issuer intends to raise funds through the Offering to carry out additional exploration on the Hi-Mars Property, as set out in "Use of Proceeds" below.

Acquisitions

To this end, the Issuer entered into the Property Option Agreement whereby the Issuer was granted an irrevocable and exclusive option to acquire a 100% interest in the Hi-Mars Property (the "Option"), consisting of 11 mineral claims covering an area of 1,788 hectares, approximately 17 km northeast of the City of Powell River in the Vancouver Mining Division, British Columbia, the particulars of which are described in greater detail below.

The Issuer acquired a 51% interest in the Property (the "Stage 1 Interest") through the payment of $5,000 to Rich River (the "Stage 1 Option Consideration"). To acquire an additional 49% interest in the Hi-Mars Property, the Issuer is required to: (i) pay a total of $155,000 in cash payments to Rich River; (ii) issue a total of 600,000 Common Shares to Rich River; and (iii) incur an aggregate minimum of $600,000 in exploration expenditures on the Hi-Mars Property (together with the Stage 1 Option Consideration, the "Option Consideration"), all in accordance with the following schedule:

Date for Completion	Cash Payment	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred
Upon execution of Property Option Agreement	$5,000 (paid)	Nil	Nil

Date for Completion	Cash Payment	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred
Upon the Closing	Nil	100,000[(1)]	Nil
On or before the 1st anniversary of the Listing Date	Nil	100,000[(2)]	Nil
On or before the 2nd anniversary of the Listing Date	$25,000	100,000[(2)]	$200,000
On or before the 3rd anniversary of the Listing Date	$30,000	100,000[(2)]	$100,000
On or before the 4th anniversary of the Listing Date	$100,000	200,000[(2)]	$300,000
TOTAL:	**$155,000**	**600,000**	**$600,000**

Notes:
(1) These 100,000 Common Shares are qualified for distribution under this Prospectus.
(2) Subject to such resale restrictions and legends as may be imposed by the applicable securities laws.

Once the Issuer has paid the Option Consideration in full, then it shall be deemed to have earned a 100% undivided interest in the Hi-Mars Property, subject to a 3% net smelter returns royalty (the "NSR") on the Property. The Issuer will have the right to purchase 1% of such NSR for $750,000 and the remaining 2% of such NSR for $1,000,000. Otherwise, once the Issuer exercises its option to acquire a 100% interest in the Hi-Mars Property and upon the commencement of commercial production thereon, the NSR is payable to the Optionors on all base, rare earth elements and precious metals upon receipt by the Issuer of payment from the smelter refinery or other place of treatment of the proceeds from the sale of the minerals, ore, concentrates or other products from the Hi-Mars Property. The Issuer will be the operator of the Hi-Mars Property during the term of the Property Option Agreement and Rich River will be the primary contractor when possible. The Issuer will also pay any rates, taxes, duties, royalties, assessments or fees levied with respect to the Hi-Mars Property or the Optionors' operations thereon and will apply and pay for assessment credits for the mineral claims comprising the Hi-Mars Property for all the work and expenditures conducted on all or any part of the Hi-Mars Property.

If, after the effective date of the Property Option Agreement (being October 30, 2017), the Issuer or either of the Optionors stakes or acquires, directly or indirectly, an interest or right in a mineral claim located within 3 km of the boundaries of the Hi-Mars Property as it was constituted at the effective date of the Property Option Agreement, or at the date of any amendments thereto, that interest or right shall be deemed to form part of the Hi-Mars Property and shall be subject to the Property Option Agreement.

Trends

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

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

Intention Regarding Future Business of the Issuer

The Issuer is currently engaged in the business of mineral exploration of the Hi-Mars Property, located in British Columbia, Canada. The Issuer has the sole and exclusive option to acquire a 100% interest in and to the Hi-Mars Property. It is the current intention of the Issuer to explore and, if warranted, develop the Hi-Mars Property. It is also the current intention of the Issuer to remain in the mineral exploration business. Should the Hi-Mars Property not be deemed viable, the Issuer currently expects that it will explore other opportunities to acquire interests in other mineral properties.

NARRATIVE DESCRIPTION OF THE BUSINESS

Overview

The Issuer is engaged in the business of acquiring and exploring mineral resource properties. The Issuer's sole property is the Hi-Mars Property (in this section, the "Property" or the "Hi-Mars Property"), located approximately 17 km northeast of the city of Powell River in southwestern British Columbia, within the Vancouver Mining Division. The Issuer's interest in the Property is governed by the Property Option Agreement. See "Acquisitions" above.

The Issuer intends to use the net proceeds from this Offering to carry out exploration on the Property and for working capital. The Issuer may decide to acquire other mineral properties in addition to the Property described below.

Hi-Mars Property, Vancouver Mining Division, British Columbia, Canada

The following information regarding the Property is summarized or extracted from an independent technical report dated December 11, 2019, and dated effective June 24, 2018, entitled "*Hi-Mars Mineral Property, Southwest British Columbia, Canada*" authored by Don MacIntyre, Ph.D., P. Eng. (the "Author") in accordance with the requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). The Author is a "qualified person" within the meaning of NI 43-101.

All photo, figure and table references herein are numbered in accordance with the Technical Report available on the Issuer's SEDAR profile at www.sedar.com.

Description and Location of Hi-Mars Property

The Hi-Mars Property is located approximately 17 km northeast of the city of Powell River in southwestern British Columbia (Figures 1 and 2) and is centered at 49°56'26"N Latitude and 124°21'33"W Longitude. The Universal Transverse Mercator (UTM) coordinates for this point are 402,474E 5,532,907N (Zone 10, NAD83). The Property is located in the Vancouver Mining Division, on NTS map sheet 92F/16.

Photo 1. View east across the Hi-Mars property showing the nature of the terrain and extent of logging. Photo taken by the Author, November 8, 2017.

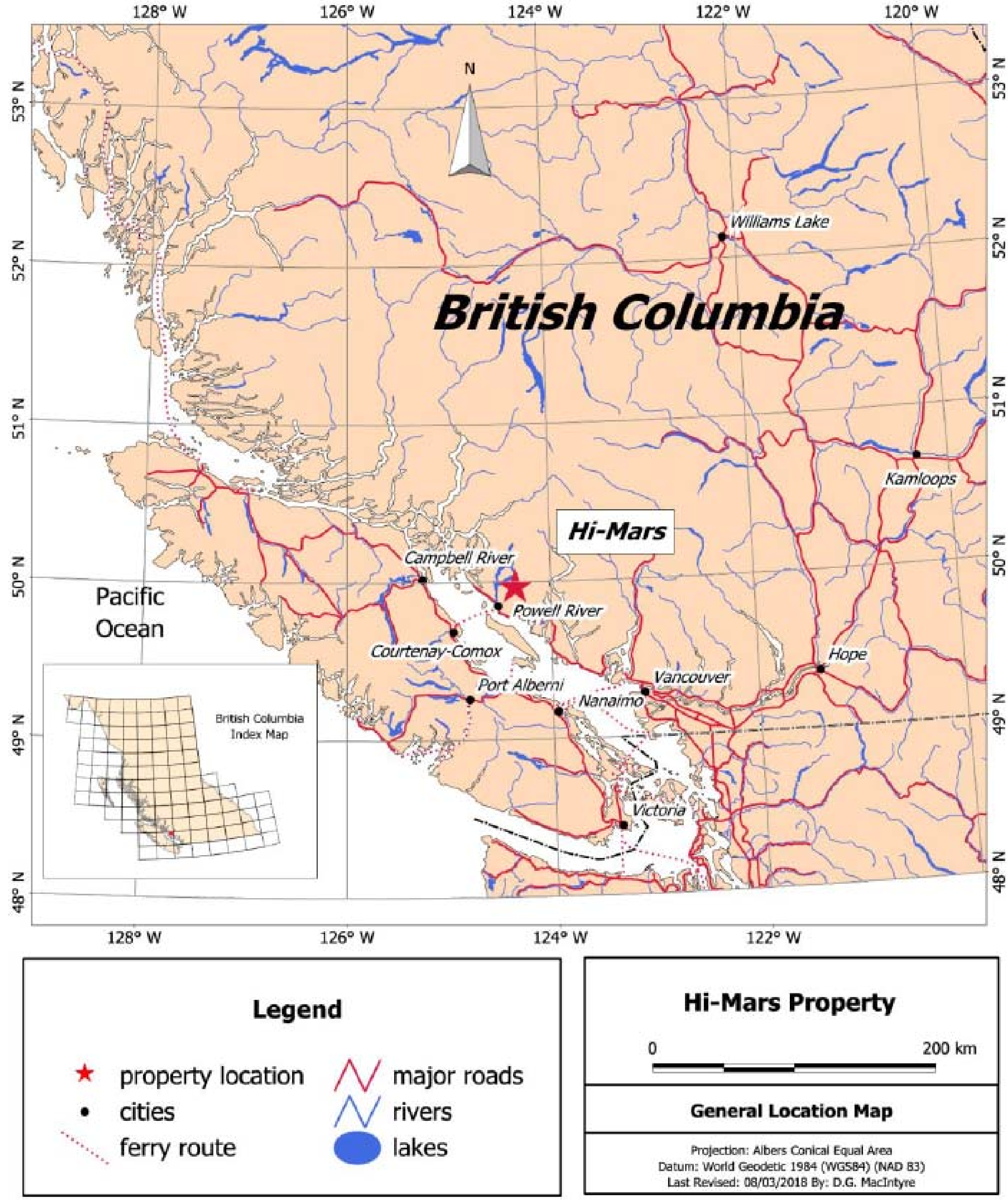

Figure 1. General location map, Hi-Mars Property, southwest British Columbia.

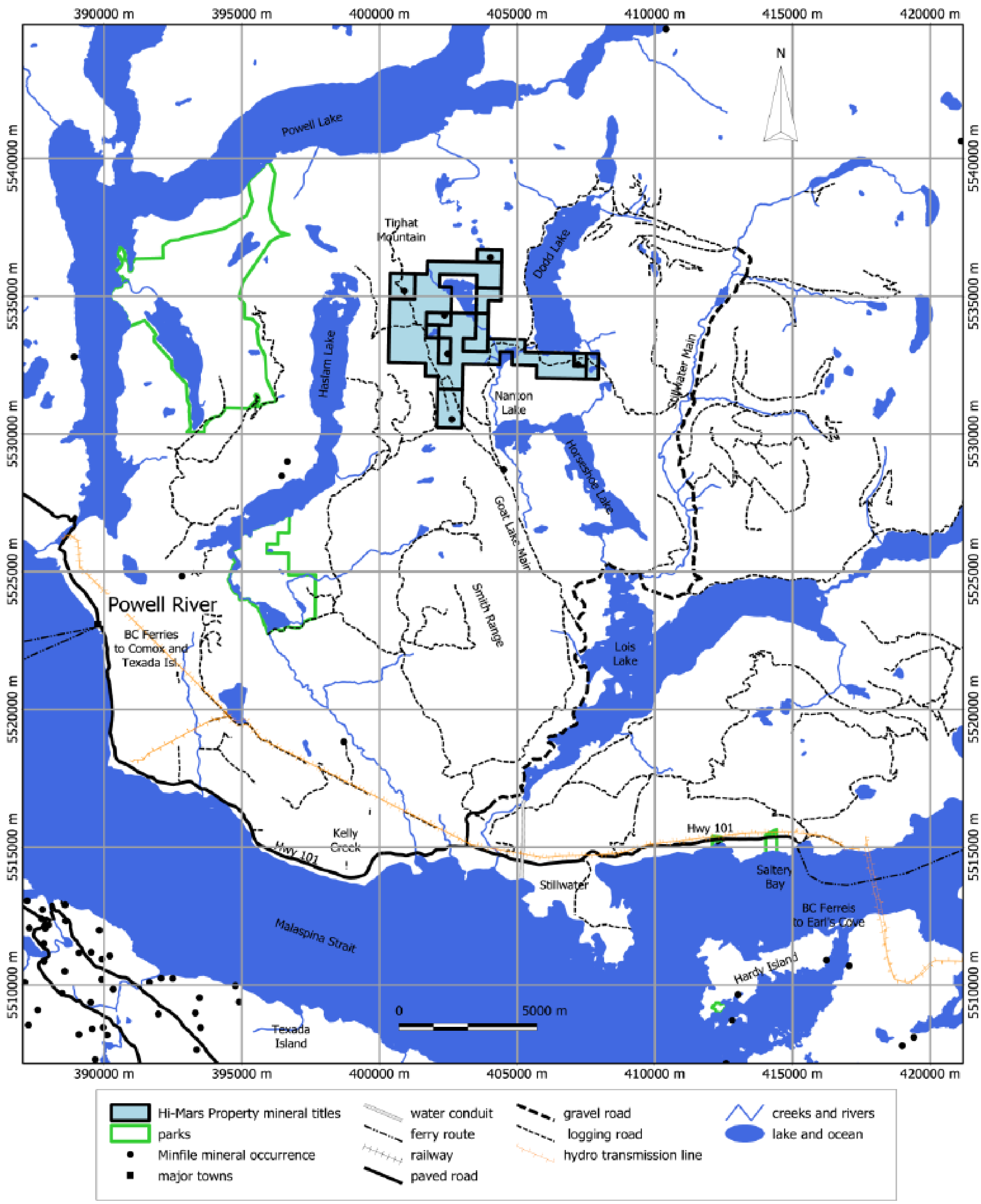

Figure 2. Detailed location and infrastructure map, Hi-Mars Property. Map prepared by D.G. MacIntyre, November 2017.

Mineral Tenures

The Hi-Mars Property consists of 11 contiguous mineral titles covering a total area of 1788.00 hectares (Table 1). As shown in Figure 3, the Property covers rolling hills west of Dodd Lake, in the Vancouver Mining Division of southwest British Columbia, Canada.

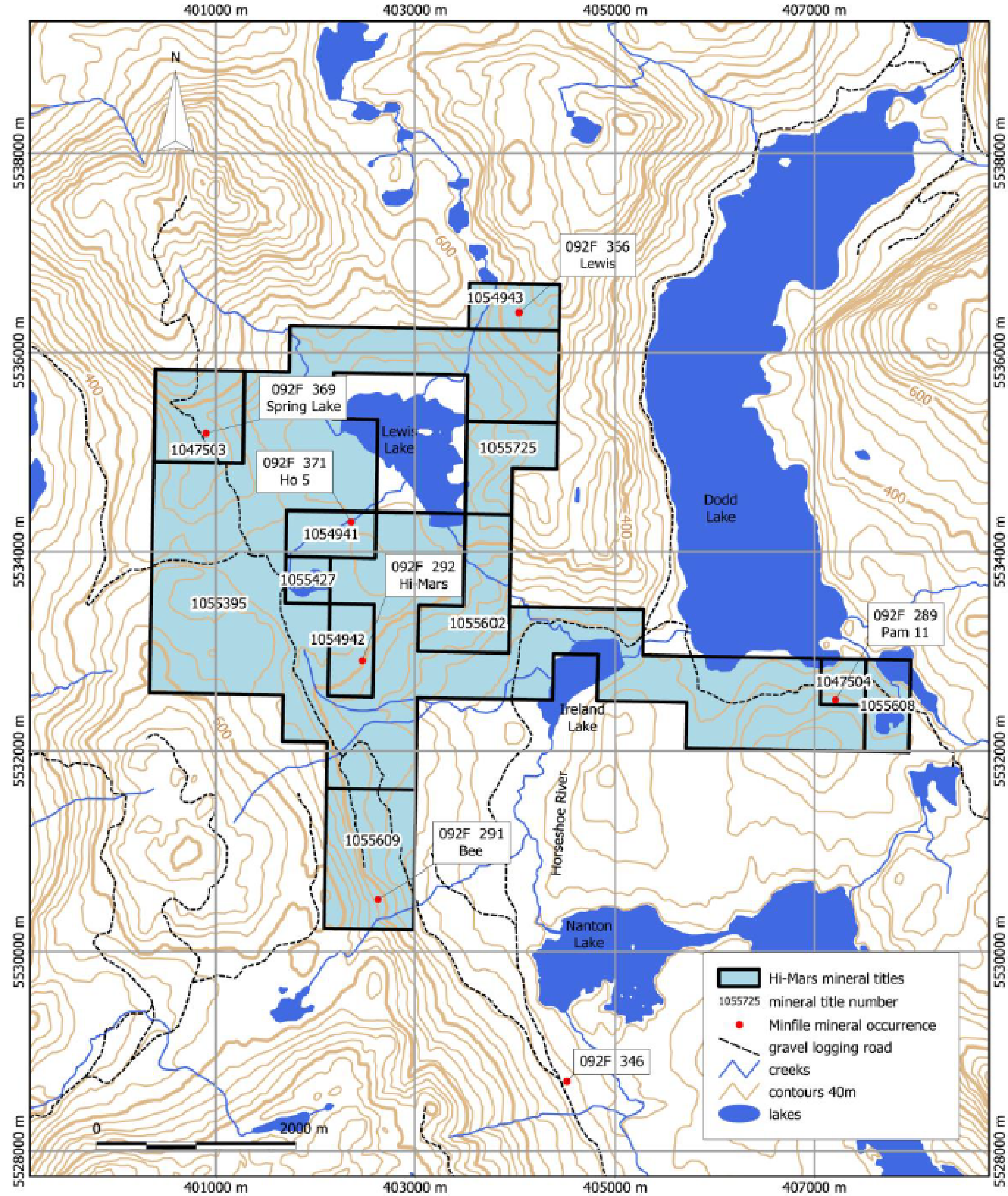

Figure 3. Mineral title map, Hi-Mars Property. Map prepared by D.G. MacIntyre using Mineral Titles Online geospatial data. Data current as of June 24, 2018.

Details of the status of title ownership for the Hi-Mars Property were obtained from the Mineral Titles On-line ("MTO") database of the Mineral Titles Branch of the Province of British Columbia. In British Columbia mineral titles are 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"). Therefore, the Hi-Mars mineral titles have not been surveyed.

The mineral titles comprising the Hi-Mars Property are shown in Figure 3 and listed in Table 1. The mineral title boundaries shown in Figure 3 were generated by the Author using geospatial data downloaded from the 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 in Table 1 and Figure 3 is current as of June 24, 2018.

Table 1. Mineral Titles, Hi-Mars Property

Title Number	Claim Name	Issue Date	Good To Date	Area (ha)
1047503	Red Metal Ridge	2016/Oct/29	2024/Jun/30	83.14
1047504	Copper Head Road	2016/Oct/29	2024/Jun/30	20.79
1054941	Mars-Cumo 1	2017/Sep/14	2024/Jun/30	41.58
1054942	Mars-Cumo 2	2017/Sep/14	2024/Jun/30	41.59
1054943	Mars-Cumo 3	2017/Sep/14	2024/Jun/30	41.56
1055395	Hi-Mars	2017/Oct/05	2024/Jun/30	1226.63
1055427	--	2017/Oct/07	2024/Jun/30	20.79
1055602	Hi-Mars III	2017/Oct/17	2024/Jun/30	83.16
1055608	East Copper Road	2017/Oct/17	2024/Jun/30	41.59
1055609	Mary V Copper	2017/Oct/17	2024/Jun/30	124.81
1055725	North Of Mars	2017/Oct/23	2024/Jun/30	62.36

Total Area: 1788.00 ha

Information posted on the MTO website indicates that all of the mineral titles listed in Table 1 are owned 100% by Lynes (FMC # 116233). Lynes holds these mineral titles on behalf of Rich River. A Statement of Work claiming assessment credit of $107,450.52 for the work done in 2017 was filed with the BC Mineral Titles Branch by Lynes on May 29, 2018 (MTO Event 5698635). The Good-To-Date shown in Table 1 is based on this filing. An Assessment Report documenting the work done in 2017 must be submitted within 90 days of the filing date.

Required Permits and Reporting of Work

Acquisition of mineral titles in British Columbia is done electronically through MTO. The electronic map used by MTO allows you to select single or multiple adjoining grid cells. Cells range in size from approximately 21 hectares (457m x 463m) in the south at the 49th parallel to approximately 16 hectares in the north at the 60th parallel. This is due to the longitude lines that gradually converge toward the North Pole. Clients are limited to 100 selected cells per submission for acquisition as one mineral title. The number of submissions is not limited, but each submission for a claim must be completed through to payment before another can commence. No two people can select the same cells simultaneously, since the database is live and updated instantly; once you make your selection, the cells you have selected will no longer be available to another person, unless the payment is not successfully completed within 30 minutes.

In British Columbia, the owner of a mineral title acquires the right to the minerals which were available at the time of title acquisition as defined in the *Mineral Tenure Act* of British Columbia. Surface rights and placer rights are not included. Mineral titles are valid for one year and the anniversary date is the annual occurrence of the date of recording (the "Issue Date").

A mineral title has a set expiry date (the "Good To Date"), and in order to maintain the title beyond that Good to Date, the recorded holder (or an agent) must, on or before the Good to Date, register either exploration and development work that was performed on the title, or a payment instead of exploration and development ("PIED"). Failure to maintain a title results in automatic forfeiture at the end (midnight) of the Good to Date; there is no notice to the title holder prior to forfeiture.

When exploration and development work or a PIED is registered, the title holder or agent may advance the title forward to any new date. With PIED the minimum requirement is 6 months, and the new date cannot exceed one year from the current expiry date; with work, it may be any date up to a maximum of ten years beyond the current anniversary year. All recorded holders of a mineral title must hold a valid Free Miners Certificate ("FMC") when either work or PIED is registered on a mineral title.

The following are the current exploration expenditure or PIED amounts required to maintain a mineral title in good standing for one year:

<u>Mineral Title - Work Requirement</u>:

- $5 per hectare for anniversary years 1 and 2;
- $10 per hectare for anniversary years 3 and 4;
- $15 per hectare for anniversary years 5 and 6; and
- $20 per hectare for subsequent anniversary years.

<u>Mineral Title – PIED</u>:

- $10 per hectare for anniversary years 1 and 2;
- $20 per hectare for anniversary years 3 and 4;
- $30 per hectare for anniversary years 5 and 6; and
- $40 per hectare for subsequent anniversary years.

Only work and associated costs for the current anniversary year of the mineral title may be applied toward that title. A report detailing work done and expenditures made must be filed with the B.C. Ministry of Energy and Mines within 90 days of filing of a Statement of Work ("SOW"). After the report is reviewed by ministry staff it is either approved or returned to the submitter for correction. Failure to produce a compliant report could result in loss of assessment credit and forfeiture of the mineral titles to which the credit was applied.

Prior to initiating any physical work such as drilling, trenching, bulk sampling, camp construction, access upgrading or construction and geophysical surveys using live electrodes (IP) on a mineral property a Notice of Work permit application must be filed with and approved by the British Columbia Ministry of Energy and Mines. The filing of the Notice of Work initiates engagement and consultation with all other stakeholders including First Nations.

Environmental Liabilities

The Author is not aware on any environmental issues or liabilities related to historical exploration or mining activities that would have an impact on future exploration of the Property.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

Access to the Property is via paved highway 101 going either 20 km east from Powell River or 12.5 km west from Saltery Bay to the start of the Goat Lake Main Forest Service Road. This all-weather gravel road extends northward where it passes through the Property at approximately kilometre 20. In recent years, extensive logging in the area has resulted in the construction of many new logging roads resulting in excellent access to the Property.

The Property is located on Crown Land which is open for mineral exploration. Consequently, there should not be any issues with surface rights if the Property should be developed. In the Author's opinion there are a number of potential mill sites, tailings storage areas, potential waste disposal areas and heap leach pad sites that could be developed on or near the Property should they be required.

Climate and Vegetation

Vegetation on the Property includes second growth trees of the Coastal Douglas Fir biogeoclimatic zone which is characterized by Douglas fir, western red cedar and hemlock, spruce, Amabilis fir and birch. Such vegetation is found at elevations less than 900 metres. Alder, willow, poplar and cottonwood are commonly found on old logging roads on the Property. Undergrowth is typically a variable mixture of salal, devil's club and salmonberry.

At lower elevations, logging cut blocks of various ages are common with their associated overgrown and decommissioned logging roads. In recent years helicopter logging techniques have been utilized to harvest first growth timber at higher elevations.

The climate of the Powell River area is characterized by a mean annual temperature of approximately 10.5º C and annual rainfall amounts of 1,116 millimetres. The warmest months are July and August with average daily high temperatures of 22.1 ºC. December and January are the coolest months with average daily high temperatures of 5 ºC and 5.3 ºC, respectively. Greater rainfall and heavier snowpack occurs at higher elevations, while valley bottoms are drier and less prone to heavy snow accumulations during the winter months. The operating season in this area would normally be 365 days a year.

The coastal rainforest climate promotes rapid tree growth and revegetation of disturbed areas such as clear-cuts and road openings.

Local Resources

The forest industry is the mainstay of the local economy. Supplies to sustain such operations are readily available in Powell River, a town of approximately 13,157 (2016) people.

Infrastructure

The Hi-Mars Property is well situated with regard to local logging road infrastructure (Figure 2). Adequate fresh water for a mining operation could be drawn from nearby lakes and creeks. There is a hydro transmission line located approximately 20 km south of the Property (Figure 2).

Physiography

The Property is located in the foothills of the Coast Mountain Range approximately 17 km northeast of Powell River. The Property covers hilly terrain and lowland areas surrounding Lewis Lake and the steep southern flank of Tinhat Mountain. The area is part of the northwest trending Smith Range. Elevations on the Property range from 200 to 680 metres above sea level (Figure 3).

History

The following section is a summary of historical work as it pertains to the current boundaries of the Property. Only historical work covered by the current Property mineral titles is described in this section. As much as is possible the Author has tried to georeference the historical exploration maps and overlay the current mineral title boundaries to show where the historical work was done relative to the Property mineral titles. Unfortunately some of the historical exploration maps are of poor quality and lack identifiable geographic points and cannot, therefore, be georeferenced to modern base maps. As a result the location of some of the historical work done on the property is difficult to determine with any accuracy.

There are no valid historical resource or reserve estimates for the Property and there has not been any production from any of the showings.

1967 – Falconbridge Nickel Mines Ltd.

Copper mineralization occurs in three different areas in the Dodd Lake area. Two showings are located west and northwest of Ireland Lake (Minfile 092F 291 Bee and 092F 292 Hi-Mars) and one is located in the area south of the end of Dodd Lake (Mifnile 092F 289 Pam 11). These showings were originally covered by the Mary V and Bruce claims respectively which were staked by Mr. and Mrs. Boylan and Bob Mickle of Powell River in the mid 1960's. The showings were subsequently added to the Minfile database as the 092F 289 Pam 11, 92F 291 Bee and 92F 292 Hi-Mars showings. The first significant work done on the current Property was by Falconbridge Nickel Mines Ltd. ("Falconbridge") in 1967 under an option agreement. Falconbridge did 116.9 km (72.67 miles) of line cutting in two separate grid areas (Bruce and Mary V) covering the three showings. This was followed by geological mapping and soil geochemical sampling at 30.5 metre (100 foot) intervals along the cut grid lines. Soil samples were only analyzed for copper on the Bruce group (2,616 samples) and copper and molybdenum on the Mary V group (1,891 samples). Geophysics was also done on parts of the grid, specifically covering areas of known showings and favourable geology. A total of 35.3 line-km of magnetometer, 40.1 line-km of self potential and 99.5 line-km of E.M. 16 determinations were done as part of the geophysical program. Follow up work involved 55 metres of trenching on the Bruce group and 498.7 metres (5,368 feet) of diamond drilling in 14 drill holes (Pilcher, 1967). Of these drill holes 9 were on the Bruce group and 5 were on the Mary V group. The Bruce group drill hole locations and assay results for surface samples is shown on Figure 4 as reproduced from a later property file report by Phendler (1970) for Caracas Mines Ltd. The holes ranged from 76 to 214 metres (250 to 702 feet) in total length and were collared based on geology and self potential results. Only low grade copper mineralization was intersected in the drilling and Falconbridge subsequently terminated the option agreement in late 1967.

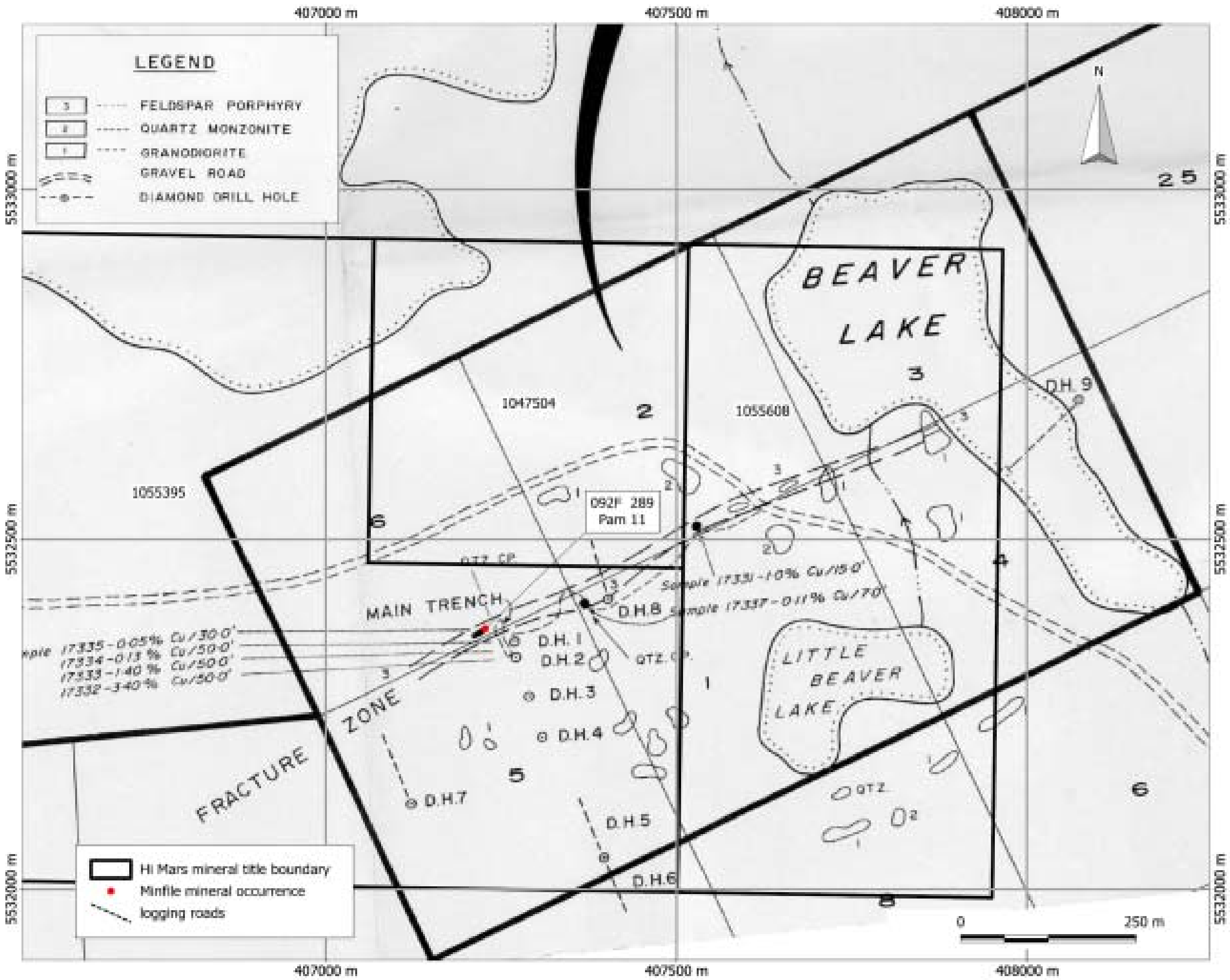

Figure 4. Geology and drill hole locations, Pam 11 showing. Base map from Phendler, 1970. Georeferencing and mineral title boundaries determined by D.G. MacIntyre, April 2018.

1971 – Hanna Mining Co.

Early in 1971, the Hanna Mining Co. optioned the Bee and Dee mineral claims (Figure 5) from Mrs. Boylan and Mr. Mickle. Bullis Engineering Ltd. was engaged to do the field work and report on the property (Bullis 1971, 1971a, 1971b).

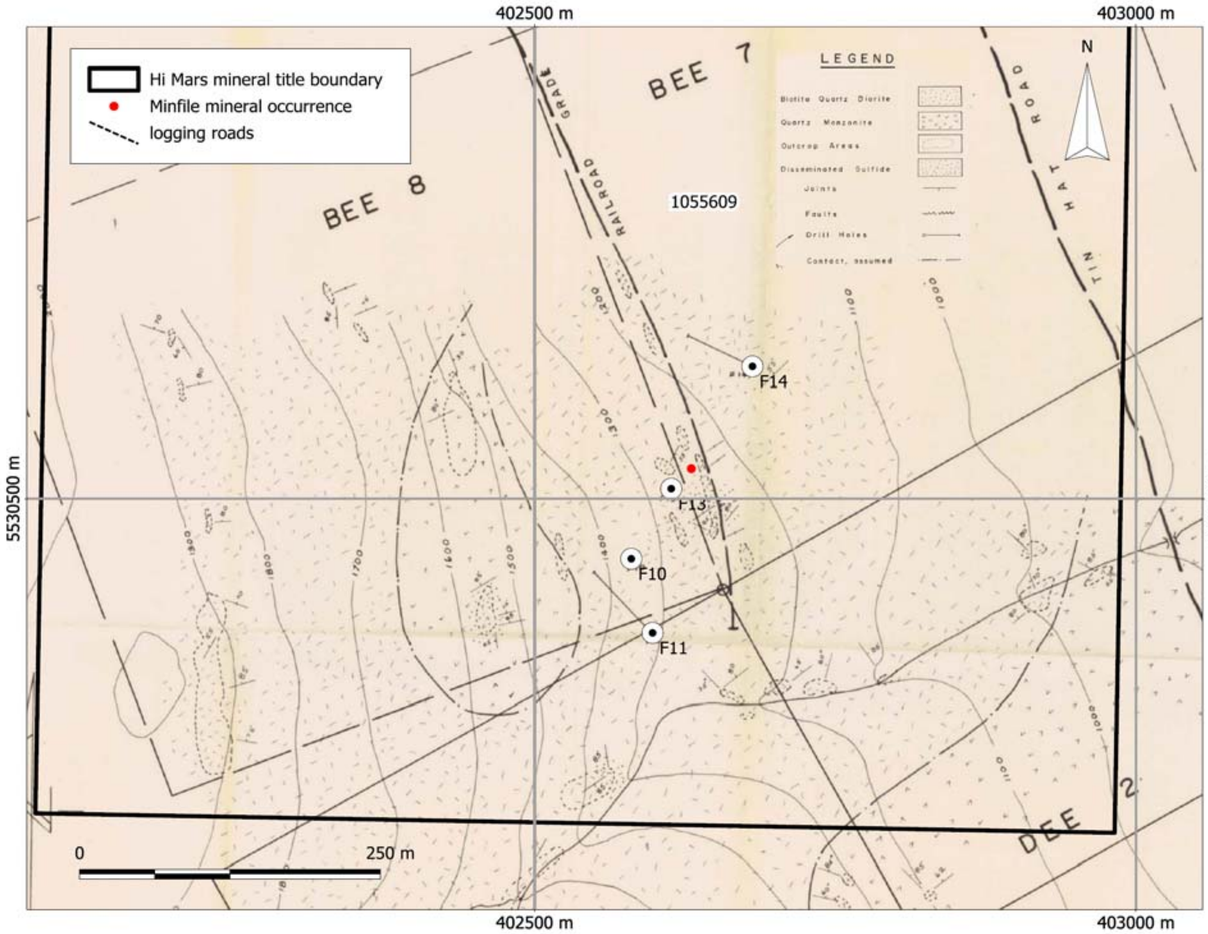

Figure 5. Geology and drill hole locations, Bee showing. Base map from Bullis, 1971. Georeferencing and mineral title boundaries determined by D.G. MacIntyre, April 2018.

A map of the area was prepared from air-photos, on a scale of 1 inch equals 400 feet (1:4800) by McElhanney Surveying and Engineering Ltd. The map was used for plotting the results of the fieldwork. The work was completed in June of 1971 and consisted of a reconnaissance geological survey of the area with particular attention paid to the known mineral showings (Bullis, 1971).

The geochemical work was concentrated on those areas where disseminated mineralization was known. Grid lines were established on the Mars and the Hi group of claims by cutting cross lines at 400 foot intervals and picketing them at one hundred foot intervals. A grid was established on the Bruce Claims with cross-lines every two hundred feet and pickets, or stations, established at one hundred foot intervals along the cross-lines. A total of 287 soil samples were taken at the stations on the cross-lines in three different areas and submitted to Vancouver Geochemical Laboratories for analysis. A zone of weak to moderately anomalous soil samples approximately 240 metres long and open to the northeast was defined on the Mars grid (Bullis, 1971a), centered on the Hi-Mars showing.

Although the three reports prepared by Bullis in 1971 (Bullis 1971, 1971a, 1971b) essentially contain the same information for the 1971 soil sampling completed on grids covering the Hi, Mars and Bruce claims, assessment report 3550 also includes a geological map of the Bee showing even though this area is not discussed in the report (Figure 5). As shown in Figure 5 this area is covered by the current Property. The geology map also shows the location of four drill holes (F10, 11, 13 and 14) but there is no mention of these drill holes in the report. They were apparently drilled by Falconbridge in 1967 (Pilcher, 1967). However, the analytical certificate from Vancouver Geochemical Laboratories included with the three reports lists Cu values for 17 samples labelled Hole #1 to #17. Holes 1-9 are presumably the same as those shown on Figure 4 and were drilled in the vicinity of the Pam 11 showing (Phendler, 1970). The location of holes 12, 15, 16 and 17 is unknown. The assay values indicated for the drill hole samples range from 284 to 925 and are presumably in parts per million (ppm). None of the three reports contain maps showing location of the soil geochemical samples collected on the Bruce claims even though the report indicates some of these samples were anomalous in copper.

Additional claims were staked in the area to satisfy the terms of the option agreement between the Hanna Mining Co. and the property owners. Bullis (1971, 1971a and 1971b) concluded that the mineralization located on the property was too low grade and sporadic to warrant further work.

1974-1976 – Redonda Syndicate

In August 1974, W. Meyer and Associates Ltd. on behalf of the Redonda Syndicate, examined widespread quartz-sericite-pyrite alteration with some low grade disseminated chalcopyrite and molybdenite mineralization in outcrop just south of the end of Dodd Lake. The area was previously staked as the Pam claims. Following up on a detailed report by Pilcher (1967) that was provided by Falconbridge, an induced polarization ("I.P.") survey (Mullan and Fountain, 1974) and geological mapping (Figure 6) were undertaken and completed in November 1974 (Meyer, 1974).

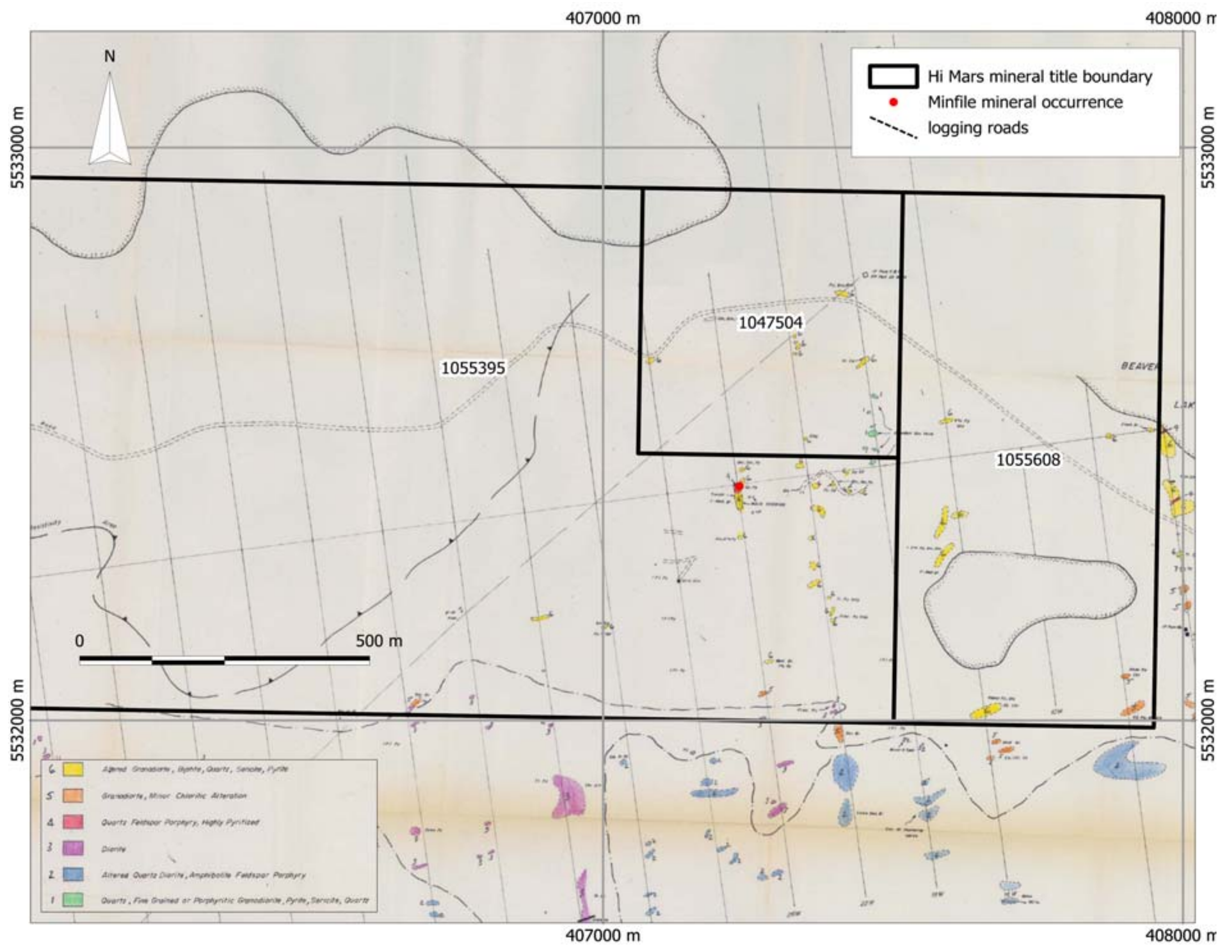

Figure 6. Geology, Pam showing. Base map from Meyers, 1974. Georeferencing and mineral title boundaries determined by D.G. MacIntyre, April 2018.

This work defined an area of potential economic interest in the northwest corner of the Pam claims based on an anomalous I.P. response and indirect geological evidence (Meyers, 1974). A program involving an extended I.P. survey and targeted percussion drilling was recommended.

In April and May 1975, the Redonda Syndicate completed 702 metres (2,304 feet) of BQ diamond drilling in five holes. Unfortunately, there is no location map included in the 1975 report that would indicate where the drill holes were collared. The stated purpose of this drilling was to test targets delineated by the 1974 I.P. survey and to provide geological information in areas of no outcrop (Folk, 1975). A summary of drill holes is given in Table 3 although as stated above the location of these holes is not known. The holes did not intersect significant copper mineralization and no additional work was recommended (Folk, 1975).

Table 3. Diamond drill holes, Redonda Syndicate, 1975 (Folk, 1975)

Hole No.	Azimuth	Dip	Depth (m)	Overburden (m)	Remarks
75-1	North	45	61.4	61.6	hole abandoned
75-2	--	90	175.7	42.7	py. in diorite, qz. monzonite
75-3	56° E	45	183.0	29.6	py, trace cp, mo in alt. granodiorite
75-4	--	90	138.3	84.4	py, mt in granodiorite
75-5	--	90	142.0	13.4	mass. unalt. granodiorite

1975 – Newvan Resources Ltd.

In the latter part of 1975, a field program was carried out on the historical IN and HO claims located at the south end of Lewis Lake (Figure 7). This area is now covered by the Property as shown in Figures 7 and 8. The work consisted of 8 km of geochemical sampling and geological mapping along established grid lines (Meyers, 1975). The work was done by W. Meyer and Associates Ltd. on behalf of Newvan Resources Ltd. This geochemical survey defined a series of northwest Mo soil anomalies (Figure 8) with values up to 165 ppm that are parallel to the regional grain of the intrusive rocks and the fault-controlled valley of Lewis Creek (Meyers, 1975).

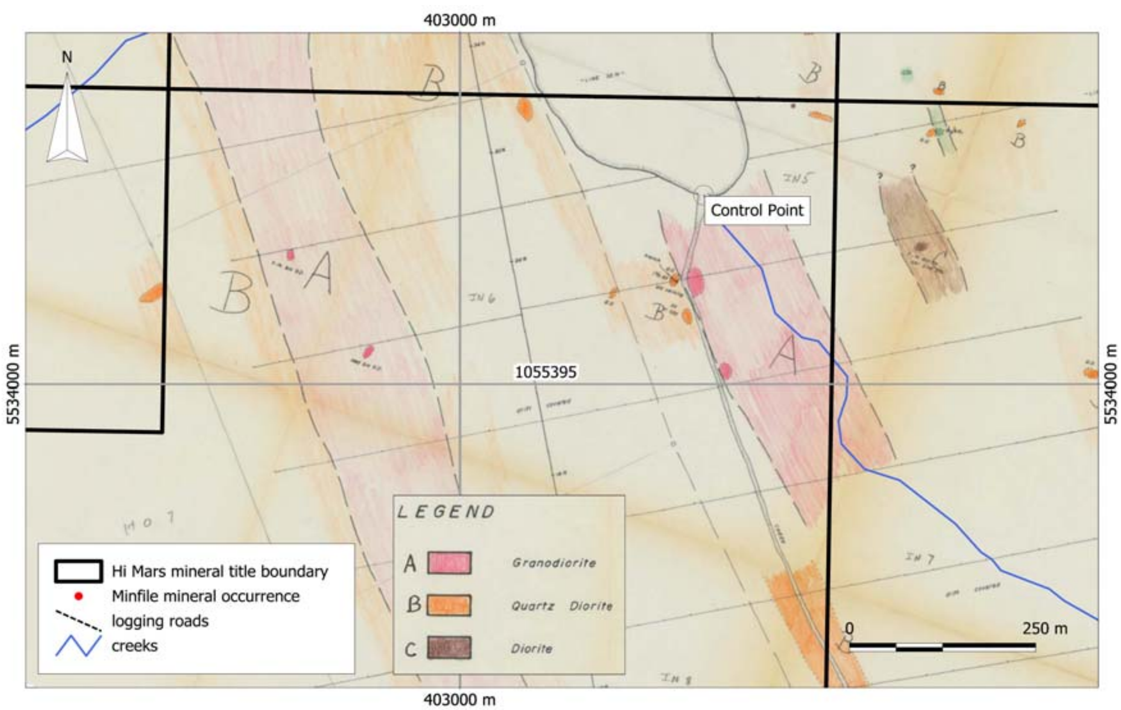

Figure 7. Geology, Lewis Lake area. Figure from Meyers, 1975. Georeferencing and mineral title boundaries determined by D.G. MacIntyre, April 2018.

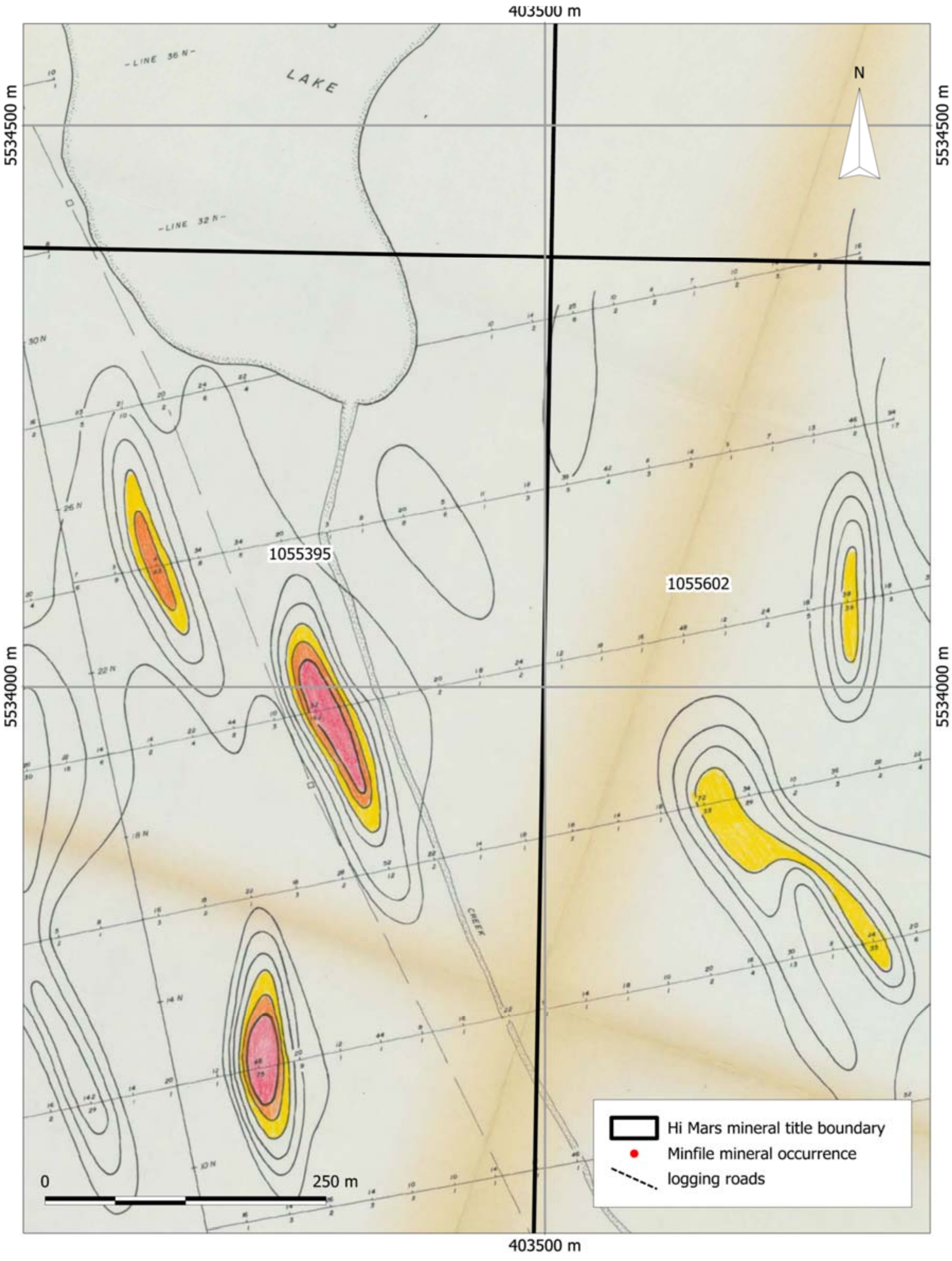

Figure 8. Contoured Mo in soil, Lewis Lake area. Base map from Meyers, 1975. Georeferencing and mineral title boundaries determined by D.G. MacIntyre, April 2018.

1976 Redonda Syndicate

The Redonda Syndicate did an extensive exploration program in the Powell River area in 1976. This work was done by W. Meyer and Associates. A follow up of a number of silt anomalies resulted in the discovery of copper showings on the ridge between Lewis Lake and Dodd Lake. The area was mapped in detail (Figure 9) and a soil sampling grid was completed and subsequently expanded to cover an area of copper and molybdenum in soil anomalies. Although there is a copper soil anomaly associated with the Main showings (Rio Tinto Showing "C" on Figure 12) a number of other anomalies occur in the area to the southeast as well (Figure 10). A number of samples in this area are strongly anomalous returning values over 500 ppm Cu and locally over 1000 ppm Cu (Figure 10). The results of this survey led to a detailed program that included test pitting and trenching in bedrock by drilling, blasting and chip sampling (Meyer, 1976). Three trenches (Tr. 1-3) over a distance of 105 metres exposed low grade copper mineralization ranging from 0.05 to 0.74% Cu (Figure 11) associated with east-west trending quartz veining (Meyer, 1976).

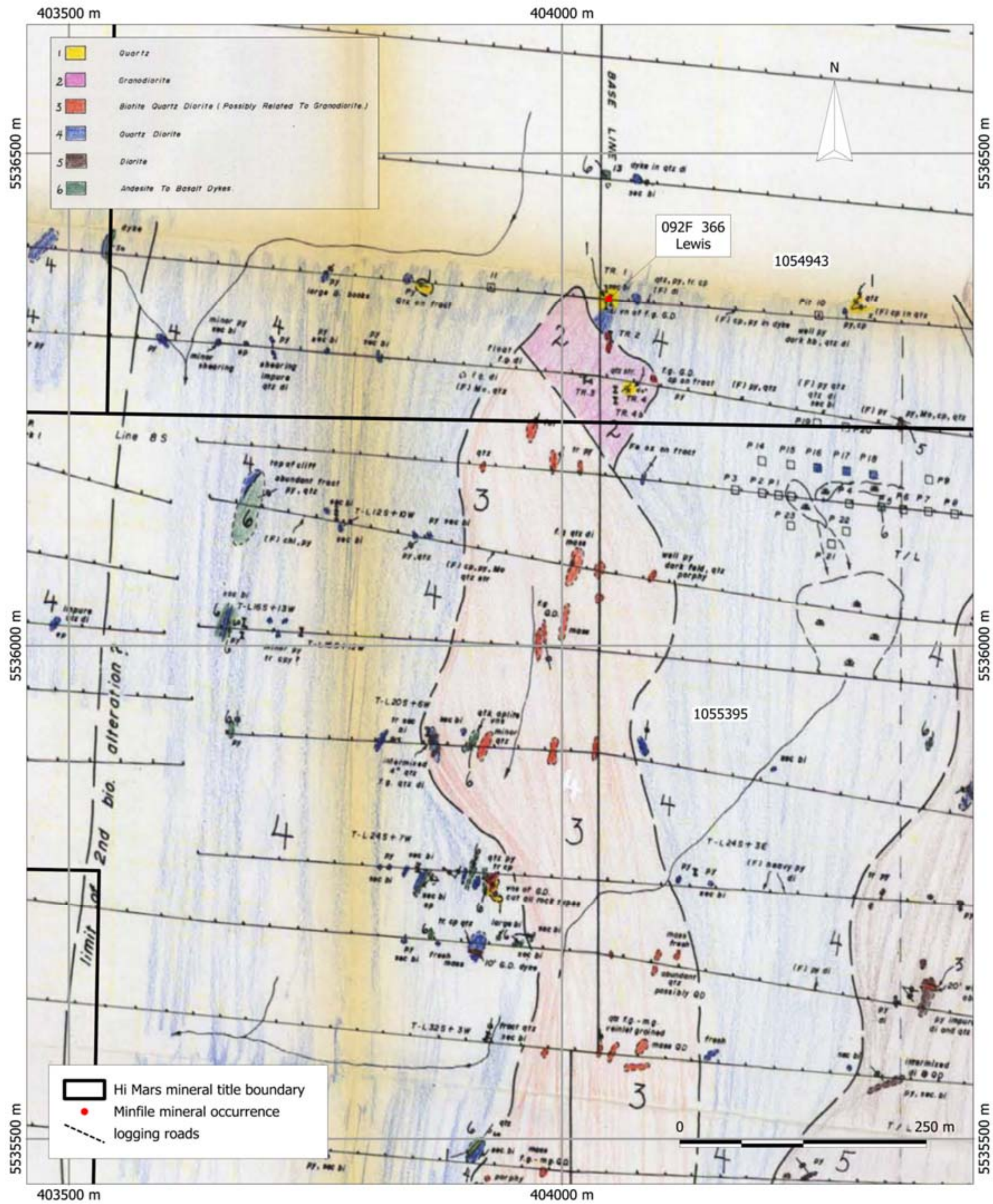

Figure 9. Geology and mineralization, Lewis showing area. Base map from Meyers, 1976. Georeferencing and mineral title boundaries determined by D.G. MacIntyre, April 2018.

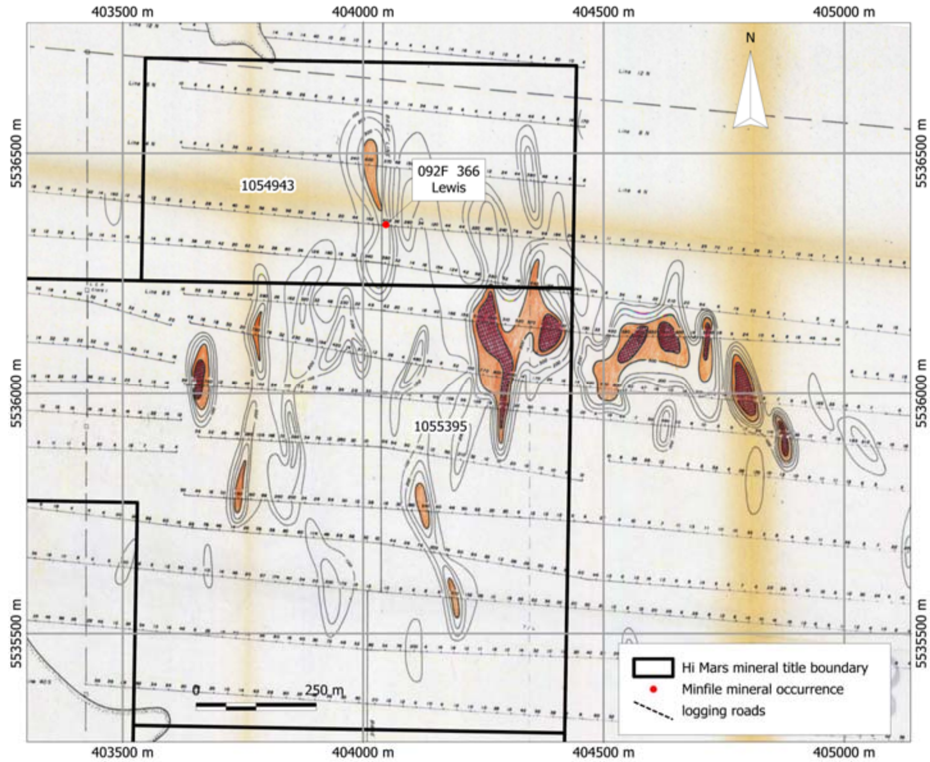

Figure 10. Copper in soil, Lewis showing. Base map from Meyers, 1976. Values over 500 ppm Cu (orange contour area) and over 1000 ppm Cu (red contour area) are highlighted. Georeferencing and mineral title boundaries determined by D.G. MacIntyre, April 2018.

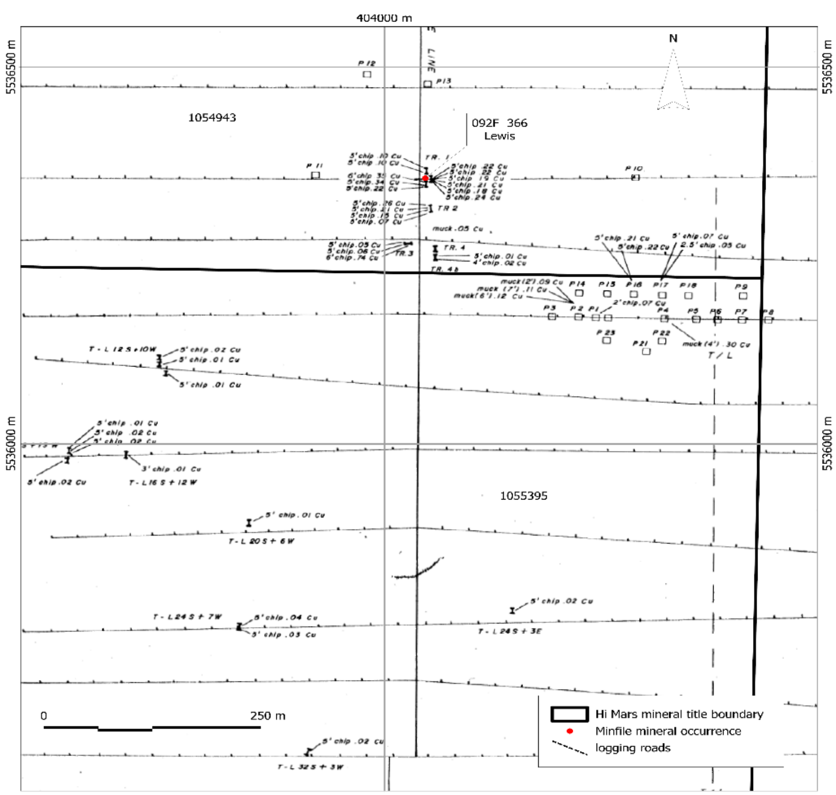

Figure 11. Rock sample and trench locations, Lewis showing. Base map from Meyers, 1976. Georeferencing and mineral title boundaries determined by D.G. MacIntyre, April 2018.

1976-1977 – Rio Tinto Canadian Exploration Ltd. (Riocanex)

In 1976 Rio Tinto Canadian Exploration Ltd. ("Rio Tinto" or "Riocanex") optioned the Spring Lake property from Golden Granite Mines Ltd. and Newvan Resources Ltd. Riocanex also staked an additional 27 claim units in the area. In October 1976 Phoenix Geophysics Limited did an induced polarization and magnetometer survey on the property. The purpose of this survey was to investigate the subsurface extent of 3 copper-molybdenum showings discovered along logging roads in the area ("A", "B" and "C" Showings). The "C" Showing is also known as the Spring Lake showing in the Minfile database (Minfile No. 092F 369). The IP survey defined a number of easterly trending resistivity lows and highs in the vicinity of the showings (Figure 12). It was recommended that Rio Tinto drill three follow-up holes to test these anomalies (Mullan and Hallof, 1977).

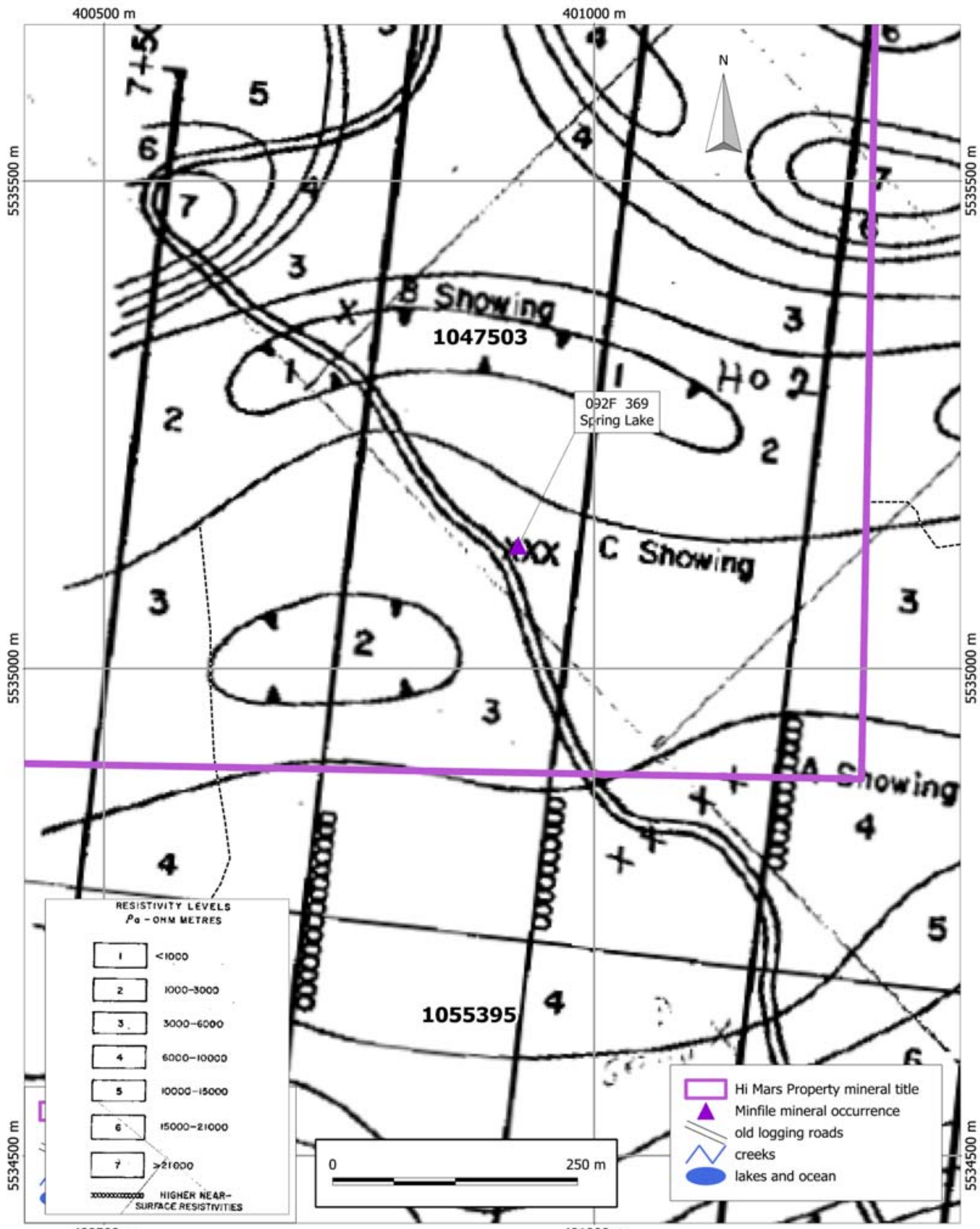

Figure 12. IP resistivity anomalies, Spring Lake showings area. Base map from Mullan and Hallof, 1977. Georeferencing and mineral title boundaries determined by D.G. MacIntyre, April 2018.

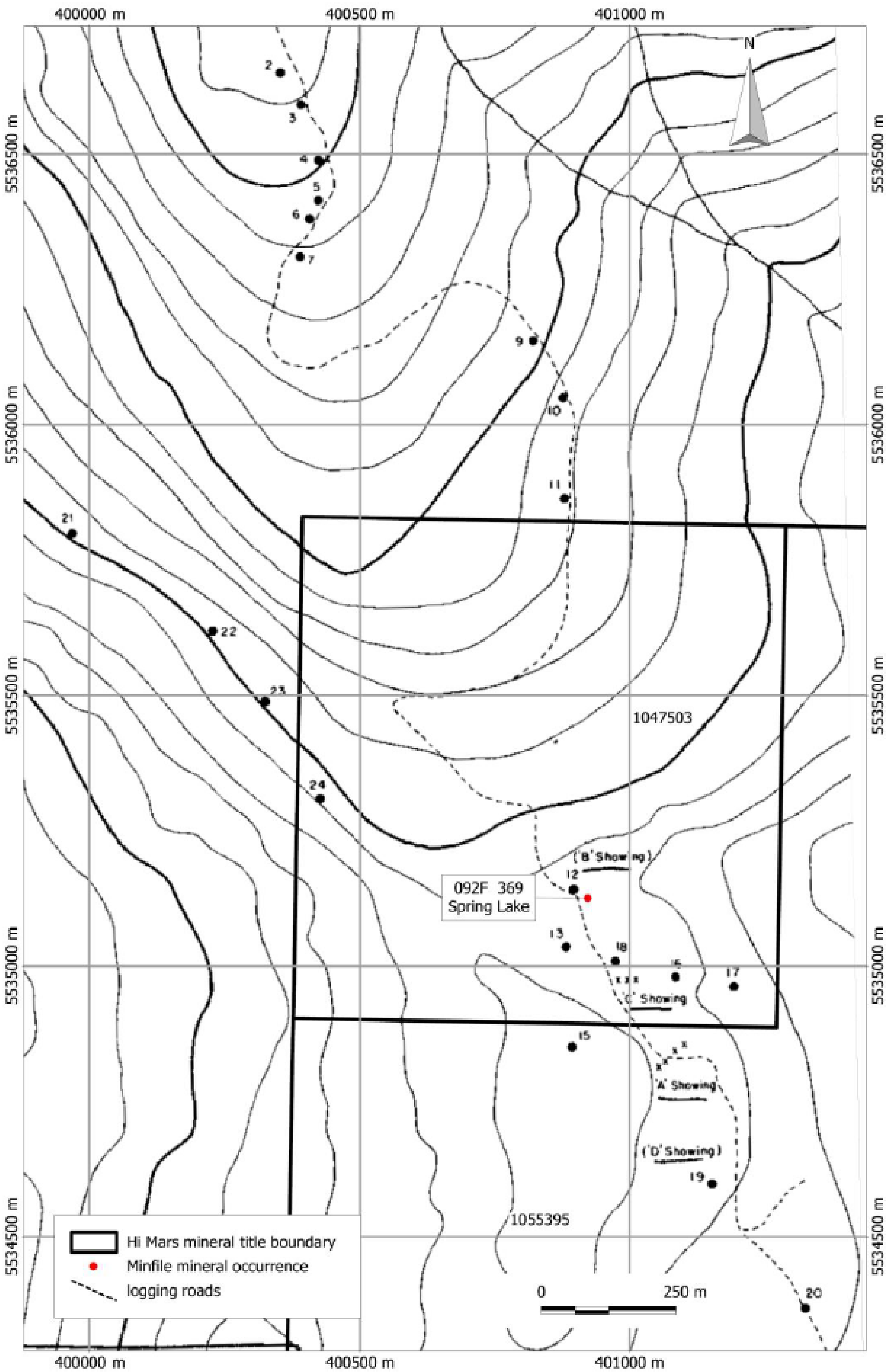

Figure 13. 1977 pit locations, Spring Lake showings area. Base map from Hodgson, 1977. Georeferencing and mineral title boundaries determined by D.G. MacIntyre, April 2018.

In May and June of 1977, Riocanex mapped the Spring Lake property at 1:10,000 scale (Hodgson, 1977). One day was also spent doing a magnetometer survey on four-line kilometres of the 1976 IP survey grip. Twenty-four pits were also blasted into bedrock and sampled (Figure 13). These pits were mostly along the Tin Hat Mountain access road (Hodgson, 1977). In reviewing the historical maps for the Spring Lake showings the author noted that the showing labelled "C" Showing on the Figure 12 map image taken from Mullan and Hallof (1977) was labelled "B" showing on the Figure 13 map image taken from Hodgson (1977), and the showings labelled "C" and "D" on Hodgson's 1977 map (Figure 13) are not shown on Mullan and Hallof's 1977 map (Figure 12). The showing labelled "B" on Mullan and Hallof's map (Figure 12) is not at the same location as the showing labelled "B" on Hodgson's map (Figure 13).

A total of 194 field stations were established as part of the geologic mapping program. From these 36 rock samples were collected and assayed. The highest Cu value was 2300 ppm. There were no significant Mo assay results.

Hodgson (1977) states that significant Cu and Mo mineralization is restricted to the vicinity of the 4 showings (Figure 13) with Cu values of 0.71%, 0.46%, 0.32-0.16% and 0.07% occurring at showings "B", "C", "A" and "D", respectively. Showing "B" also assayed 0.47% Mo. Hodgson (1977) recommended that the open area east of the "B" and "C" showings be tested by shallow drilling.

1978 – Asarco Exploration Company of Canada Limited

In June and July 1978 Asarco Exploration Company of Canada Limited ("ASARCO"), on behalf of property owners Home Oil Co. Ltd, Aquitaine Co. of Canada Ltd. and W. Meyer and Associates Ltd. did drilling, blasting and sampling of 23 pits to test previously outlined molybdenum and copper soil anomalies at the Lewis showing (see Figure 10). The results of the geochemical analyses showed that anomalous copper and molybdenum values were related to fracture and joint sets within a fine to medium-grained quartz diorite of the Coast Range Crystalline Complex (Fletcher, 1978). The best value obtained for the 23 samples analyzed was 3,950 ppm Cu. This sample was obtained from a pit in the northern part of the grid area. The best value obtained for 14 samples from the southern sector of the grid was 900 ppm Cu. Molybdenum grades were low ranging form 1 to 55 ppm Mo for all samples collected. It was concluded that there was no significant economic concentration of copper and/or molybdenum immediately associated with the anomalous soil geochemical values in the area tested (Fletcher, 1978).

1981 – Teck Corporation

In 1981 Teck Corporation ("Teck") staked the Beach claims to cover the Lewis showings that were discovered in 1974 as the result of a regional geochemical stream silt sampling program carried out by W. Meyers and Associates Ltd. The original Lewis and Clark claims had been allowed to lapse. Teck had planned to do a self potential survey but this plan was abandoned due to poor weather conditions and a geological mapping program was done instead. The resultant map is included in assessment report 9948 (Betmanis, 1981). Unfortunately, there are no geographic reference points on the map and the Author was unable to georeference this map to the current mineral tenure boundaries with any degree of confidence. The approximate area covered by the map is shown in Figure 14.

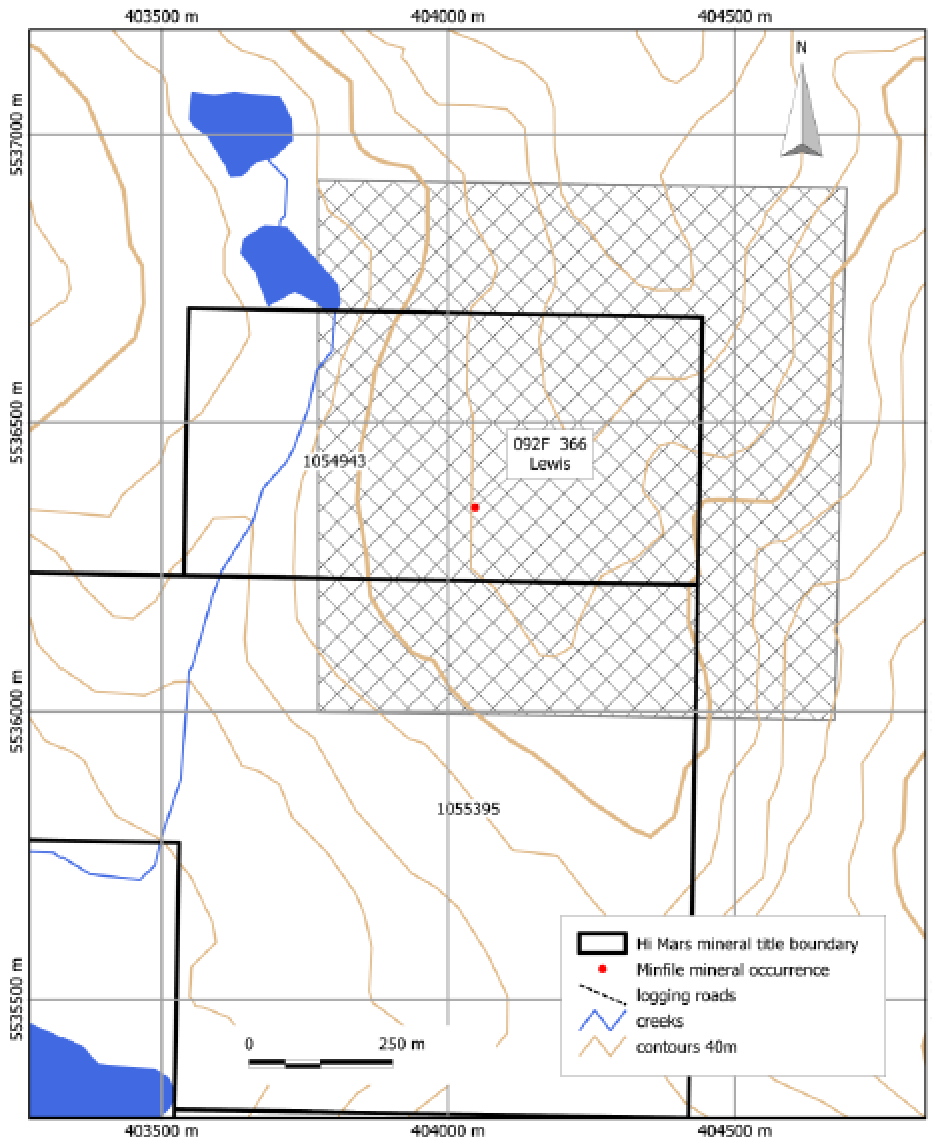

Figure 14. Approximate area covered by Teck geological mapping in 1981 (crosshatching). Geological map is included in Assessment Report 9948 (Betmanis, 1981). Map prepared by D.G. MacIntyre, April 2018.

Bettmanis (1981) concluded that the mineralized zones in the mapped area were too low grade and too small in size to be of economic interest.

Geological Setting and Mineralization

Regional and Local Geology

The regional geologic setting of the Hi-Mars Property is shown in Figure 15. The original geologic mapping of the area was done by the Geological Survey of Canada (Roddick et al., 1979). The main geologic units as compiled by Massey et al. (2005) are summarized in the Table of Formations (Table 4).

Table 4. Table of Formations (after Massey et al., 2005)

Map Unit	Age	Group or Formation	Description
KTgd	Cretaceous to Tertiary	Unnamed	granodioritic intrusive rocks
KTgr	Cretaceous to Tertiary	Unnamed	granite, alkali feldspar granite intrusive rocks
KTqm	Cretaceous to Tertiary	Unnamed	quartz monzonitic intrusive rocks
Kgd	Cretaceous	Unnamed	granodioritic intrusive rocks
lKGa	Cretaceous	Unnamed	basaltic volcanic rocks
uKNa	Upper Cretaceous	Naniamo Group - Extension - Protection Formation	coarse clastic sedimentary rocks
mKdr	Mid-Cretaceous	Unnamed	dioritic intrusive rocks
mKgd	Mid-Cretaceous	Unnamed	granodioritic intrusive rocks
EKdr	Early Cretaceous	Unnamed	dioritic intrusive rocks
EKgb	Early Cretaceous	Unnamed	gabbroic to dioritic intrusive rocks
EKgd	Early Cretaceous	Unnamed	granodioritic intrusive rocks
lKGa	Lower Cretaceous	Gambier Group	marine sedimentary and volcanic rocks
JKdr	Late Jurassic to Early Cretaceous	Unnamed	dioritic intrusive rocks
JKgd	Late Jurassic to Early Cretaceous	Unnamed	granodioritic intrusive rocks
JKqd	Late Jurassic to Early Cretaceous	Unnamed	quartz dioritic intrusive rocks
JKqm	Late Jurassic to Early Cretaceous	Unnamed	quartz monzonitic intrusive rocks
JKto	Late Jurassic to Early Cretaceous	Unnamed	tonalite intrusive rocks
LJdr	Late Jurassic	Unnamed	dioritic intrusive rocks
EMJgd	Early Jurassic to Middle Jurassic	Island Plutonic Suite	granodioritic intrusive rocks
JBi	Lower Jurassic to Middle Jurassic	Bowen Island Group	argillite, greywacke, wacke, conglomerate turbidites
lJBn	Lower Jurassic	Bonaza Group - Harbledown Formation	mudstone, siltstone, shale fine clastic sedimentary rocks
muTrVa	Upper Triassic	Vancouver Group - Karmutsen and Quatsino Formations	basaltic volcanic rocks

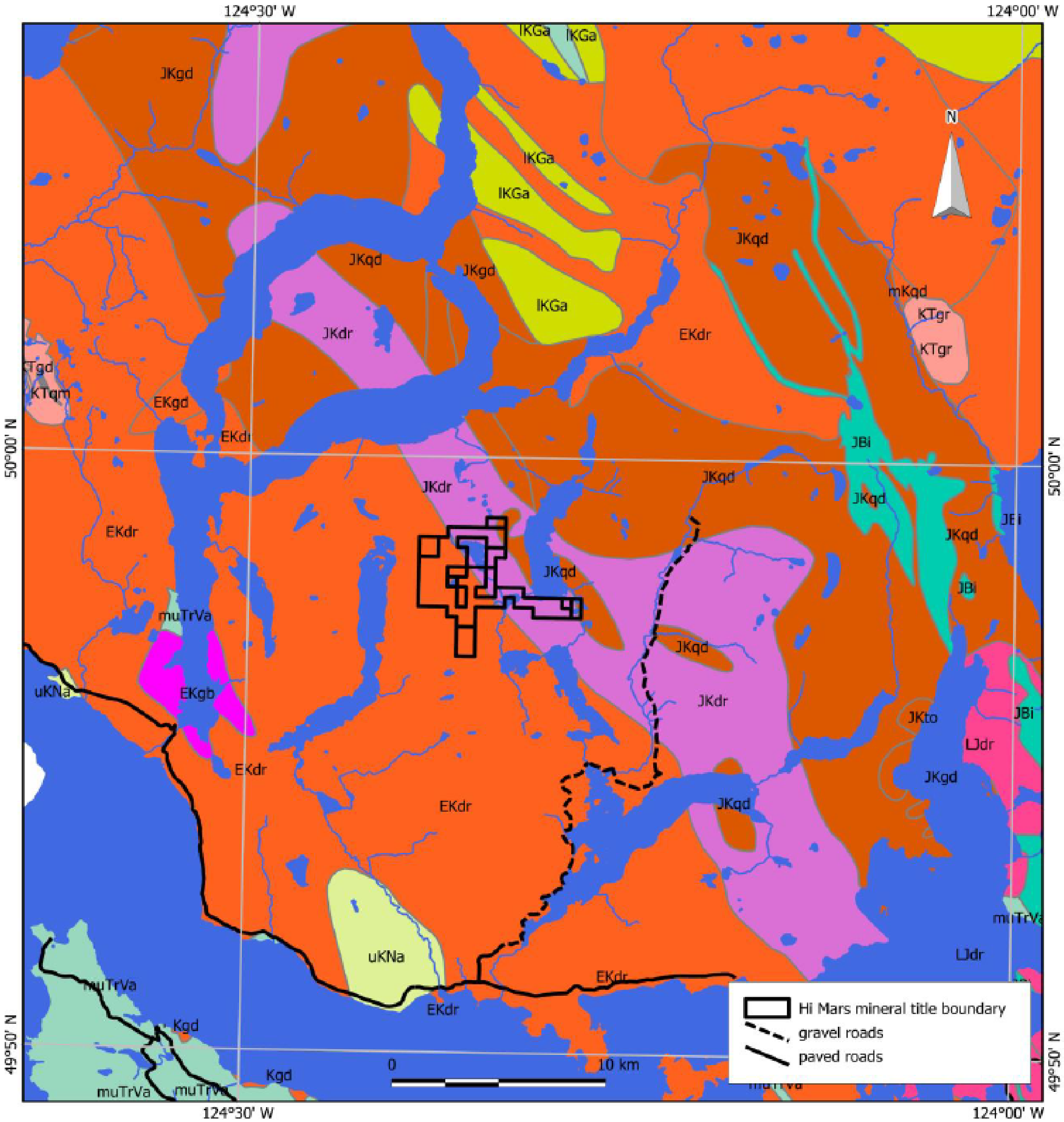

Figure 15. Regional geologic setting, Hi-Mars Property. Geology from Massey et al., 2005. Map prepared by D.G. MacIntyre, May 2018. See table 4 for description of map units.

The Property is located within the Coast Plutonic Complex, a belt of granitic rocks that form a chain of mountain ranges along the western margin of mainland British Columbia. These rocks represent the up-lifted roots of a long-lived magmatic arc that has evolved from the Late Triassic to present time. As shown in Figure 15, the Property straddles the boundary between a northwest trending belt of Early Cretaceous intrusive rocks (EKdr) comprised of quartz diorite, tonalite and granodiorite phases (Roddick et al. 1979) and older Later Jurassic to Early Cretaceous dioritic intrusive rocks (JKdr). Just east of the Property at Dodd Lake is an elongate body that has been mapped as Late Jurasssic to Early Cretaceous quartz monzodiorite with minor quartz diorite (JKqd). The nature of the contacts between the map units underlying the Property is unknown due to lack of outcrop in the area. Presumably unit EKdr is the youngest and intrudes older units JKdr and JKqd but this contact could also be a fault.

Property Geology and Mineralization

There is no detailed geology map for the Property as a whole. Small parts of the Property have been mapped in detail near the known showings (Pam, Bee and Lewis) and some of this detail is shown on Figures 4, 5, 6, 7 and 9 respectively. The following descriptions of geology and mineralization at the various showings covered by the Property are taken from the Minfile database. Location of mineral showings relative to regional geologic map units is shown in Figure 16.

<u>Pam 11 (Minfile No. 092F 289)</u>

The Pam 11 occurrence is underlain by Cretaceous hornblende diorite and quartz diorite of the Coast Plutonic Complex which have been intruded by later phases of granodiorite. The granodiorite has in turn, been intruded by quartz feldspar porphyry and feldspar porphyry dykes. A few narrow andesite to basalt dykes cut all other rock types.

The granodiorite has been sericite-altered and hosts biotite, quartz sericite and pyrite. Silicification is associated with a quartz vein stockwork in the granodiorite as well as in an area containing lenses of quartz within brecciated granodiorite, parallel to a feldspar porphyry dyke. Detailed geology after Phendler (1970) and Meyers (1974) is shown on Figures 4 and 6.

Veins, joints and dykes are controlled by a 070 to 080 degree trending fracture system that dips steeply north.

Pyrite and chalcopyrite, with minor pyrrhotite, magnetite and sphalerite occur as disseminations within silicified granodiorite and in the quartz vein stockwork. The intensity of fracturing decreases away from the Main showing (Rio Tinto Showing "C" Figure 12) but pyrite-coated joints are still well developed 300 metres away. Pods and irregular masses of chalcopyrite also occur at the Main showing, trending 110 to 150 degrees and crosscutting the jointing. Diamond drilling in 1967, mostly in the vicinity of the main trench, included 16.5 metres of 0.25 per cent copper.

About 150 to 200 metres east of the Pam 11 showing, and on strike with it, chalcopyrite occurs as irregular masses near strongly silicified porphyritic granodiorite and quartz diorite.

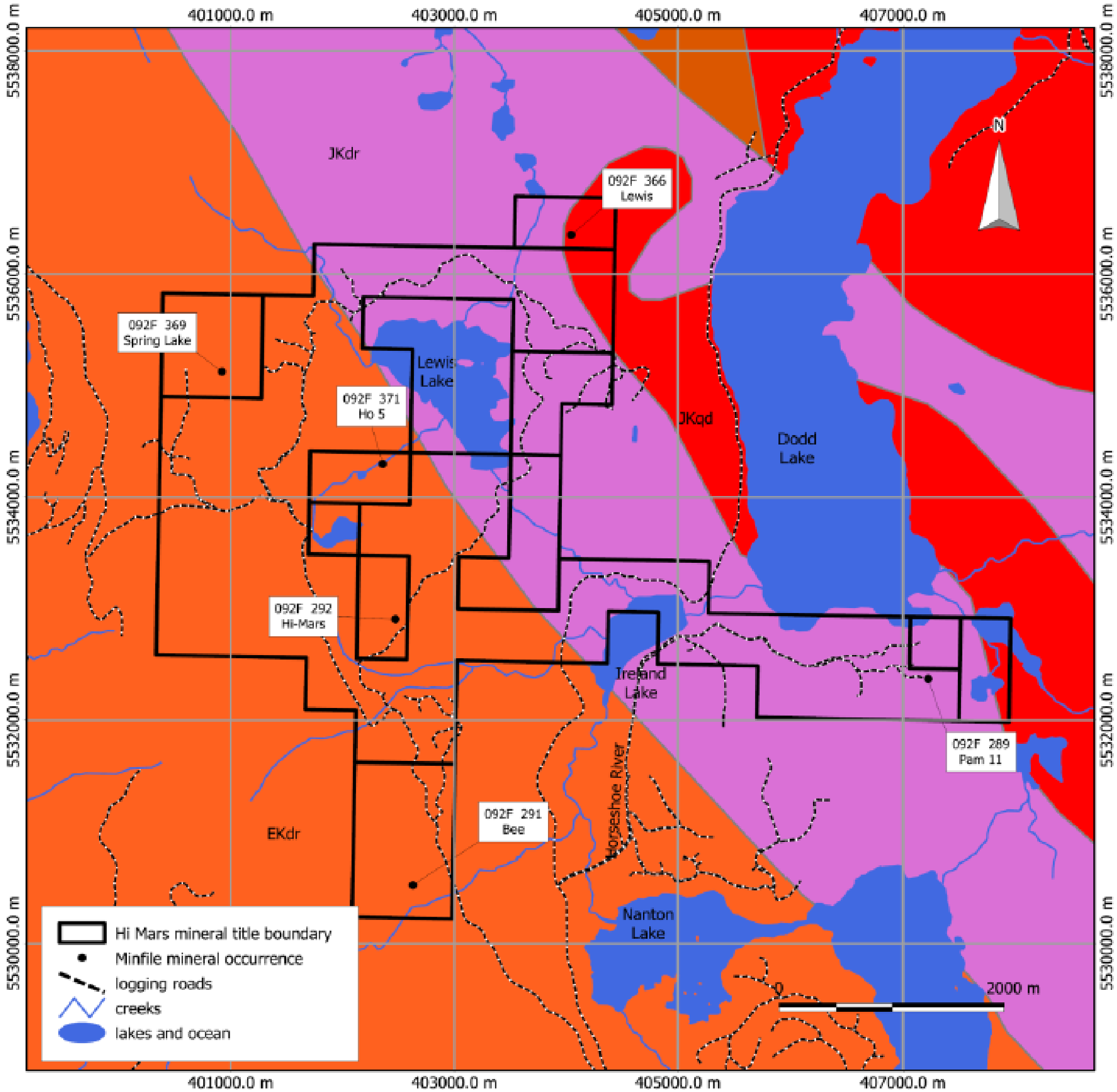

Figure 16. Property geology and mineral occurrences, Hi-Mars Property. Geology from Massey et al. 2005. Map compiled by D.G. MacIntyre, May 2018. See table 4 for description of map units.

<u>Bee (Minfile No. 092F 291)</u>

The Bee occurrence is underlain by quartz diorite and quartz monzonite of the Jurassic to Tertiary Coast Plutonic Complex.

Mineralization occurs in quartz diorite that has been intruded by small aplite stringers, feldspar porphyry dykes and several irregular masses of quartz up to 2.4 metres wide. Quartz-filled joints in the quartz diorite strike 070 to 090 degrees. The mineralization occurs over an area of 30 metres in or near the porphyry dykes and the quartz lenses. It consists of disseminated chalcopyrite and molybdenite, and veinlets and small irregular lenses of chalcopyrite and pyrite. Detailed geology and drill hole locations after Bullis (1971) are shown on Figure 5.

Hi-Mars (Minfile No. 092F 292)

The Hi-Mars occurrence is underlain by granodiorite and quartz diorite of the Jurassic to Tertiary Coast Plutonic Complex which grades into diorite.

Jointing in the rocks strikes northeast and dips 90 degrees south, and locally contains quartz veinlets.

Fractures contain pyrite, chalcopyrite, molybdenite and limonite. Quartz-filled fractures host chalcopyrite and molybdenite. Disseminated pyrite and magnetite are present in the granodiorite and quartz diorite host rocks. Up to 0.5% copper and minor molybdenite have been reported (Bullis, 1971a, Assessment Report 3549, page 14).

Lewis (Minfile No. 092F 366)

The Lewis occurrence is underlain by Mesozoic diorite of the Coast Plutonic Complex which has been intruded by a 500-metre-wide quartz diorite phase of the same age. Northeast and northwest striking andesite dykes cut the intrusive rocks. Detailed geology after Meyers (1976) is shown on Figure 9.

Chlorite alteration is pervasive. Secondary biotite is present in a north-northeast striking zone of shearing that projects through the area of mineralization. Alaskite dykes up to one metre wide occur near the shear zone.

Mineralization is present in three locations, the Central zone, and the East and South zones, 250 metres east and southwest of the Central zone, respectively.

Mineralization consists of disseminated and fracture-filling chalcopyrite in the Central zone, and chalcopyrite with molybdenite in the East and South zones. Disseminated pyrite and magnetite are reported near the andesite dykes.

Maximum values of 0.74% copper over 1.8 metres, and 0.026% molybdenite over 1.5 metres have been reported, but the average value from all trenches was 0.12% copper (Betmanis, 1981, Assessment Report 9948, page 3).

Spring Lake (Minfile No. 092F 369)

The area of the Spring Lake occurrence is underlain by multi-phased granodioritic intrusions of the Mesozoic Coast Plutonic Complex. Locally, the granodiorite is chloritized with epidote-coated fractures. Several west-northwest trending leucocratic felsic dykes, of the same general age as the host rock, and late mafic dykes are present.

Mineralization occurs in four zones located within 500 metres of each other (Hodgson, 1977). In zone A, disseminated chalcopyrite and pyrite occur in siliceous granodiorite. Minor mineralization is also present as fracture coatings. A sample assayed 0.32% copper and 0.014% molybdenite (Hodgson, 1977).

Zone B contains molybdenite and magnetite in thin quartz veinlets. A sample assayed 0.71% copper and 0.47% molybdenum (Hodgson 1977).

Zone C, considered the most significant, contains finely disseminated chalcopyrite and pyrite in a felsic dyke. Chalcopyrite, molybdenite and magnetite are also present in quartz veinlets in granodiorite near a felsic dyke. Locally, the zone contains azurite and malachite on fracture surfaces. A sample assayed 0.46% copper and 0.005% molybdenite (Hodgson 1977).

Zone D contains disseminated molybdenite and minor chalcopyrite and pyrite in a leucocratic felsic dyke. Some rusty pyrite occurs on fractures. A sample assayed 0.07% copper and trace molybdenite (Hodgson, 1977).

Ho 5 (Minfile No. 092F 371)

The Ho 5 occurrence is underlain by quartz diorite of the Mesozoic Coast Plutonic Complex.

Molybdenite and chalcopyrite occur in narrow quartz veins. A sample across 1.5 metres from a trench on the southeast corner of Ho 5 claim assayed 0.03% copper and 0.046% molybdenite (Meyer 1975, Assessment Report 5798).

Deposit Types

The mineral showings that are covered by the Hi-Mars Property are classified as porphyry Cu-Mo type showings in the Minfile database. This deposit type is characterized by Cu and Mo bearing veins and disseminations associated with the emplacement of porphyritic intrusive rocks usually as late phases of intrusive complexes or as small stocks emplaced into older volcanic and sedimentary rock units. Mineral occurrences on the Property display most of these characteristics.

Exploration

The 2017 exploration program was conducted by Rich River on behalf of the Issuer. The program involved soil sampling, prospecting and limited rock sampling, mainly along existing logging roads on the Property. A total of 726 soil samples were collected and analyzed for 51 elements by the ALS laboratory in North Vancouver B.C. using analytical procedure ME-MS41 (Ultra Trace Aqua Regia digestion and ICP-MS analyses). A total of 73 rock samples were also submitted for analyses. Summary statistics for soil and rock samples collected by Rich River and analyzed by ALS in 2017 are given in Tables 5 and 6. The location of soil and rock samples, using proportional sized symbols for Cu and Mo values, are presented in Figures 17 and 18, respectively. Table 7 lists rock samples containing greater than 1,000 ppm Cu.

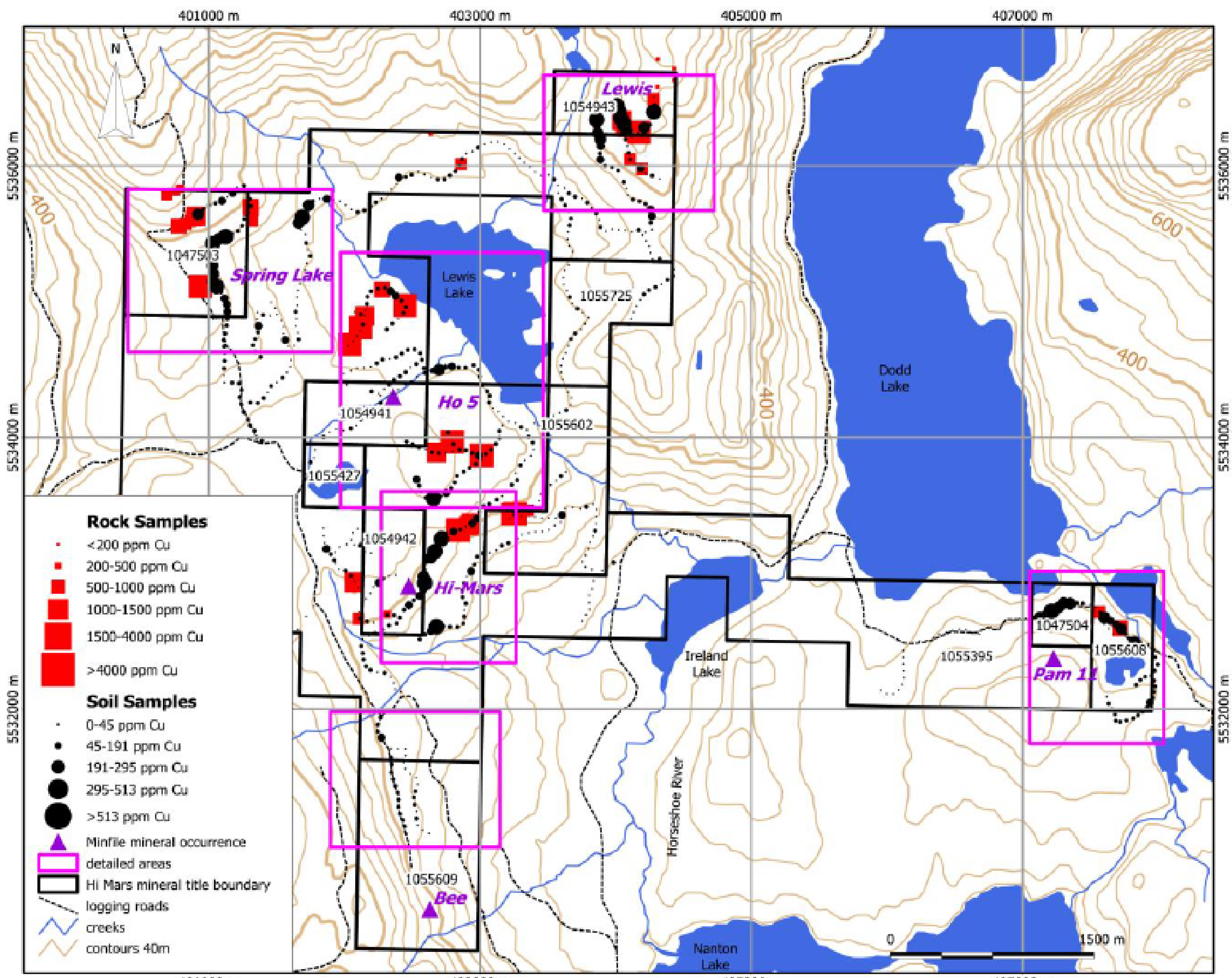

Figure 17. Location of 2017 rock and soil samples. Proportional symbol sizes based on Cu (ppm) values. Also shown are the areas covered by the detailed maps discussed in this section. Map prepared by D.G. MacIntyre from data provided by Rich River, April 2018.

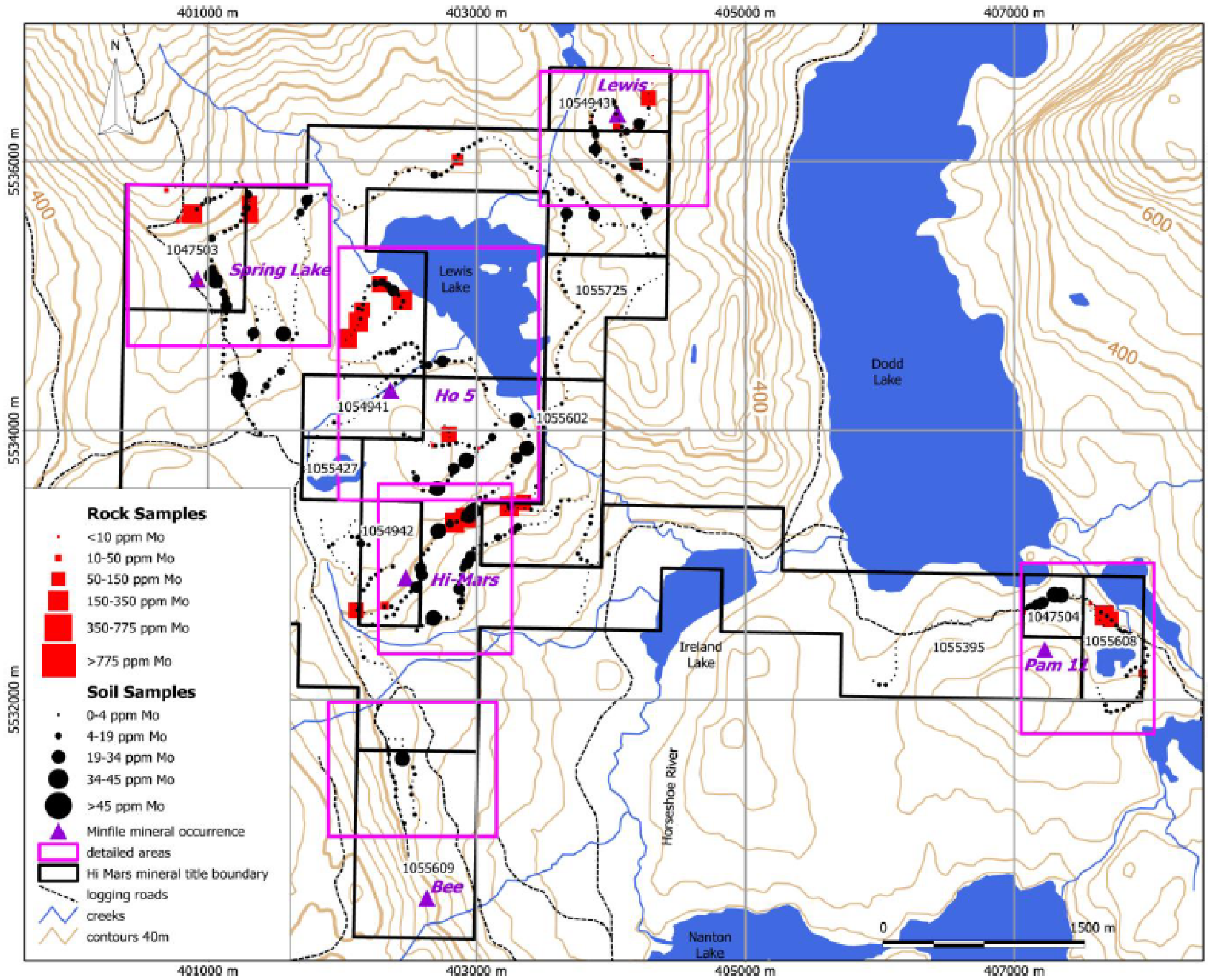

Figure 18. Location of 2017 rock and soil samples. Proportional symbol sizes based on Mo (ppm) values. Also shown are the areas covered by the detailed maps discussed in this section. Map prepared by D.G. MacIntyre from data provided by Rich River, April 2018.

Table 5. Summary statistics for soil samples.

Element	N	Min	Max	Median	90th Percentile	95th Percentile	98th Percentile
Ag ppm	726	0.01	1.06	0.12	0.3	0.39	0.49
Al %	726	0.54	12.85	4.51	7.285	8.1175	9.455
As ppm	726	0.5	12.8	1.9	2.8	3.3	4.2
Au ppm	9	<0.02	0.05	<0.02	<0.02	<0.02	<0.02
B ppm	0	<10	<10	<10	<10	<10	<10
Ba ppm	726	10	330	30	80	110	165
Be ppm	726	0.06	1.15	0.32	0.5	0.59	0.75
Bi ppm	726	0.03	3.48	0.1	0.2	0.2875	0.48
Ca %	726	0.03	1.44	0.1	0.21	0.2975	0.425
Cd ppm	726	0.01	0.58	0.08	0.15	0.19	0.25
Ce ppm	726	3.5	49.7	11.275	19.03	22.4	33.25
Co ppm	726	0.5	37.5	3.7	7.5	9.375	12.55
Cr ppm	726	2	39	11	16	20	23
Cs ppm	726	0.1	2.39	0.61	1.02	1.16	1.5
Cu ppm	726	2.3	2100	45.15	190.8	295.25	513

Element	N	Min	Max	Median	90th Percentile	95th Percentile	98th Percentile
Fe %	726	0.42	9.61	3.07	3.99	4.39	5.155
Ga ppm	726	2.41	73.1	10.8	15.48	17.4	19.5
Ge ppm	239	<0.05	0.18	<0.05	0.07	0.08	0.1
Hf ppm	689	<0.02	0.33	0.06	0.12	0.14	0.165
Hg ppm	725	<0.01	0.82	0.16	0.26	0.3	0.35
In ppm	726	0.005	0.604	0.023	0.04	0.054	0.1005
K %	726	0.01	0.58	0.02	0.06	0.09	0.16
La ppm	726	1.8	16.6	4.4	6.6	7.6	8.8
Li ppm	726	0.4	21.2	5.8	9.9	11.5	13.65
Mg %	726	0.02	2.33	0.22	0.455	0.5975	0.78
Mn ppm	726	43	2840	182	411.5	563.5	741.5
Mo ppm	726	0.17	122	4.03	19.43	34.075	45.2
Na %	623	<0.01	0.1	0.01	0.02	0.03	0.03
Nb ppm	726	0.22	5.32	2.085	3.04	3.4225	3.845
Ni ppm	726	0.9	37.1	2.8	4.9	5.775	7.45
P ppm	726	110	2310	520	910	1057.5	1375
Pb ppm	726	1	128.5	4.45	6.9	7.875	9.65
Rb ppm	726	0.6	18.8	2.2	4.2	5.2	7.3
Re ppm	182	<0	0.037	<0.001	0.001	0.002	0.0055
S %	702	<0.01	0.48	0.04	0.07	0.08	0.115
Sb ppm	722	<0.05	2.27	0.11	0.17	0.2	0.25
Sc ppm	726	0.4	13.7	3.5	5.5	6.3	7
Se ppm	720	<0.2	4.6	1.1	2	2.3	2.7
Sn ppm	721	<0.2	8.6	0.5	0.9	1	1.3
Sr ppm	726	3.1	106	11.5	25.95	34.425	56.95
Ta ppm	703	<0.01	0.12	0.03	0.06	0.08	0.09
Te ppm	714	<0.01	0.28	0.03	0.07	0.08	0.1
Th ppm	724	<0.2	9.9	1.7	3.3	3.8	4.55
Ti %	726	0.014	0.419	0.139	0.194	0.2185	0.251
Tl ppm	671	<0.02	0.25	0.03	0.05	0.06	0.08
U ppm	726	0.17	5.19	0.78	1.335	1.5275	2.045
V ppm	726	18	237	71.5	96	106	126.5
W ppm	723	<0.05	156	0.35	1.13	1.8025	2.955
Y ppm	726	0.71	27.9	3.76	6.55	7.7675	10.35
Zn ppm	726	6	125	23	46	54	73
Zr ppm	684	<0.5	12.9	1.7	3.55	4.175	4.8

Table 6. Summary statistics, rock samples.

Lab. No.	Min	Max	Median	90th percentile	95th percentile	98th percentile	N > detection
Ag ppm	0.03	30.1	0.47	3.548	11.74	18.41	73
Al %	0.17	7.14	2.05	2.79	3.352	4.408	73
As ppm	0.3	19.3	0.8	2.46	6.04	15.548	73
Au ppm	0.02	0.07	0.02	0.046	0.058	0.0652	7
Ba ppm	10	330	90	240	284	310	73
Be ppm	0.05	0.48	0.13	0.261	0.322	0.36	70
Bi ppm	0.02	31.8	0.12	1.224	1.8	4.332	73
Ca %	0.02	3.77	0.69	1.268	1.396	1.9	73

Lab. No.	Min	Max	Median	90th percentile	95th percentile	98th percentile	N > detection
Cd ppm	0.02	12.7	0.2	1.63	2.365	3.806	71
Ce ppm	0.95	43.5	7.53	13.02	15.44	24.964	73
Co ppm	4	67.9	10.9	26.32	31.22	43.896	73
Cr ppm	1	191	5	13	19	31.28	73
Cs ppm	0.05	1.5	0.445	0.93	0.977	1.247	72
Cu ppm	21.3	28100	863	5404	10926	23080	73
Fe %	0.72	12.9	3.63	6.664	7.528	8.2356	73
Ga ppm	0.67	16.1	5.77	8.446	10.82	12.33	73
Ge ppm	0.05	0.2	0.09	0.13	0.147	0.1568	67
Hf ppm	0.02	0.15	0.05	0.09	0.11	0.12	71
Hg ppm	0.01	0.04	0.01	0.02	0.023	0.0332	18
In ppm	0.006	2.08	0.042	0.4082	0.8385	1.3635	72
K %	0.02	1.84	0.34	0.686	0.776	0.9824	73
La ppm	0.4	19.8	3.2	5.7	6.5	11.1	73
Li ppm	0.4	13.5	7.5	10.5	11.6	12.256	73
Mg %	0.03	4.1	0.89	1.368	1.696	2.2056	73
Mn ppm	62	2020	497	643.6	864.2	1191.48	73
Mo ppm	0.55	1860	37.9	812.8	1121.2	1568.6	73
Na %	0.01	0.97	0.18	0.338	0.35	0.4328	73
Nb ppm	0.05	0.63	0.255	0.42	0.5055	0.52	70
Ni ppm	0.9	69.8	2.1	8.52	12.96	20.244	73
P ppm	20	1160	460	770	860	966	73
Pb ppm	0.4	21.5	1.1	4.04	7.62	11.856	73
Rb ppm	0.5	46.5	8.3	17.74	19.8	27.544	73
Re ppm	0.001	1.585	0.024	0.3834	0.6114	1.079	67
S %	0.01	8.16	1.21	4.268	5.77	7.1708	73
Sb ppm	0.05	0.31	0.08	0.234	0.262	0.2876	29
Sc ppm	0.2	25.1	4.3	9.14	11.76	14.812	73
Se ppm	0.2	16.9	1.4	4.06	5.38	13.358	72
Sn ppm	0.2	2.2	0.4	1	1.155	1.872	70
Sr ppm	2.8	398	64.6	98	140.4	252.8	73
Ta ppm	0.01	0.01	0.01	0.01	0.01	0.01	9
Te ppm	0.01	28.9	0.04	0.212	0.288	1.4164	67
Th ppm	0.2	7.3	0.95	2.27	3.46	4.754	72
Ti %	0.006	0.249	0.131	0.177	0.2045	0.2342	71
Tl ppm	0.02	0.33	0.075	0.13	0.14	0.1732	68
U ppm	0.11	2.18	0.48	1.146	1.448	1.606	73
V ppm	3	185	60	92	114.4	124.52	73
W ppm	0.05	182.5	0.27	6.095	8.776	12.134	72
Y ppm	0.44	12.4	5.05	7.57	8.38	10.4	73
Zn ppm	6	467	52	115.2	188.8	271.24	73
Zr ppm	0.5	3.5	0.8	1.8	2.04	2.868	67

Table 7. Rock samples with >1000 ppm Cu.

Map Number	Showing	UTM East	UTM North	Mineralization	Description	Lab. No.	Cu ppm	Mo ppm	Cu %
12	LEWIS	404161	5536230	Pyrite	Diorite Intrusive	HM-17R12	1890	2.76	

Map Number	Showing	UTM East	UTM North	Mineralization	Description	Lab. No.	Cu ppm	Mo ppm	Cu %
17	NORTH SPRING LAKE	400885	5535612	Quartz/Pyrite	Diorite Intrusive	HM-17R17	1420	776	
18	NORTH SPRING LAKE	400778	5535554	Pyrite	Diorite Intrusive	HM-17R18	1115	33.9	
19	NORTH SPRING LAKE	400904	5535629	Quartz / Pyrite / Magnetite	Diorite Intrusive	HM-17R19	2160	172	
26	NEW HI-MARS	402842	5533318	Azurite / Malachite	Granite / Granodiorite	HM-17R26	>10000	233	2.33
28	NEW HI-MARS	402932	5533370	Cu,Py / Mo	Along Road Cut	HM-17R28	2980	768	
29	NEW HI-MARS	402075	5532935	Cu,Py / Mo	Taken from Rock Pit	HM-17R29	1525	3.2	
30	SPRING LAKE	400938	5535110	Malachite	Taken from Old Pit (Rio Tinto showing "C")	HM-17R30	5340	2.41	
31	SPRING LAKE	400949	5535096	Malachite	New Showing (east of Rio Tinto)	HM-17R31	1790	3.11	
32	PAM 11	407716	5532596	Molybdenum / Pyrite	10cm wide quartz vein	HM-17R32	1480	562	
38	SPRING	401311	5535687	Molybdenum / Pyrite	Float on old road cut	HM-17R38	1230	340	
39	NORTH HO 5	402040	5534685	Molybdenum / Pyrite	Float on old road cut	HM-17R39	>10000	1860	2.81
40	SOUTH HO 5	402680	5533887	Malachite / Cpy	In pit malachite / cpy in hornblende quartz diorite	HM-17R40	1835	37.9	
42	SOUTH HO 5	402796	5533968	Molybdenum / Cpy	outcrop malachite / cpy in hornblende quartz diorite	HM-17R42	5120	391	
44	SOUTH HO 5	403009	5533869	Molybdenum / Pyrite	In road ditch malachite / cpy in hornblende quartz diorite	HM-17R44	>10000	13.1	1.57
45	SOUTH HO 5	403015	5533866	Molybdenum / Pyrite	outcrop malachite / cpy in hornblende quartz diorite	HM-17R45	5420	2.74	
49	LEWIS	404173	5536246	pyrite in fine grained granite		HM-17R49	5550	1.41	
50	LEWIS	404076	5536268	pyrite in qtz rich stockwork / hornbelnde intrusive		HM-17R50	1115	4.83	
51	LEWIS	404044	5536336	pyrite in fine grained diorite host some qtz veining on frac		HM-17R51	2520	1.54	

Map Number	Showing	UTM East	UTM North	Mineralization	Description	Lab. No.	Cu ppm	Mo ppm	Cu %
56	NEW HI-MARS	403244	5533435	Cpy / moly / py along qtz shear epidote along fractures 5m long		HM-17R56	6870	952	
57	NEW HI-MARS	403258	5533436	pyritic boulder with py cpy By creek ~15M from sample 56		HM-17R57	>10000	17.8	2.28
58	NORTH HO 5	402120	5534808	Disseminated moly+cpy+py in road bed material in granite	100% material on road bed from only rock pit	HM-17R58	7710	1375	
59	NORTH HO 5	402150	5534897	Disseminated moly+cpy+py in road bed material in granite	100% material on road bed from only rock pit	HM-17R59	3050	674	
60	LEWIS LAKE	402278	5535087	Disseminated moly+cpy+py in outcrop	From Pit, this is the source of previous 2 samples	HM-17R60	1300	724	
61	LEWIS LAKE	402448	5534971	Disseminated moly+cpy+py along fractures	New Showing (Lewis Lake) beside road	HM-17R61	4190	822	
62	LEWIS LAKE	402444	5534965	Disseminated moly+cpy+py along fractures	New Showing (Lewis Lake) beside road	HM-17R62	1680	1595	
64	NEW HI-MARS	402919	5533351	Moly cpy along fractures rosettes of moly	Along Road Cut fracture controlled mineralization	HM-17R64	3270	1535	
65	NEW HI-MARS	402820	5533320	Moly cpy along fractures rosettes of moly	Along Road Cut fracture controlled mineralization	HM-17R65	1990	645	
66	NEW HI-MARS	402834	5533316	Moly cpy along fractures rosettes of moly	Along Road Cut fracture controlled mineralization	HM-17R66	4470	908	
67	SPRING EAST	401308	5535701	Molybdenum / Pyrite	In place along road cut	HM-17R67	1030	36.7	
73	LEWIS LAKE NORTH	5535753	5535753	Disseminated moly. With malachite and pyrite	On southern border of claim in old cut block lots of pyrite 25m east of small creek	HM-17R73	2770	10.3	

Rock and Soil Sample Results

Pam 11 (Minfile No. 092F 289)

Pyrite and chalcopyrite, with minor pyrrhotite, magnetite and sphalerite occur as disseminations within silicified granodiorite and in the quartz vein stockwork at the Pam 11 showing. Soil samples collected along a logging road north and northeast of the showing returned anomalous values for Cu and Mo (Figures 19 and 20). One rock sample (No. 32) returned 1480 ppm Cu and 562 ppm Mo. The anomalous soil samples occur over a distance of 250 metres with values ranging from 195.5 to 585 ppm Cu. Mo is also anomalous ranging from 34.1 to 99.9 ppm. It is not clear if these anomalous soil values are related to the Pam 11 showing which is approximately 300 metres to the south or to a different, more proximal source. The direction of glacial transport is assumed to be northwest to southeast which would suggest a different, as yet undetected, source for the anomalies.

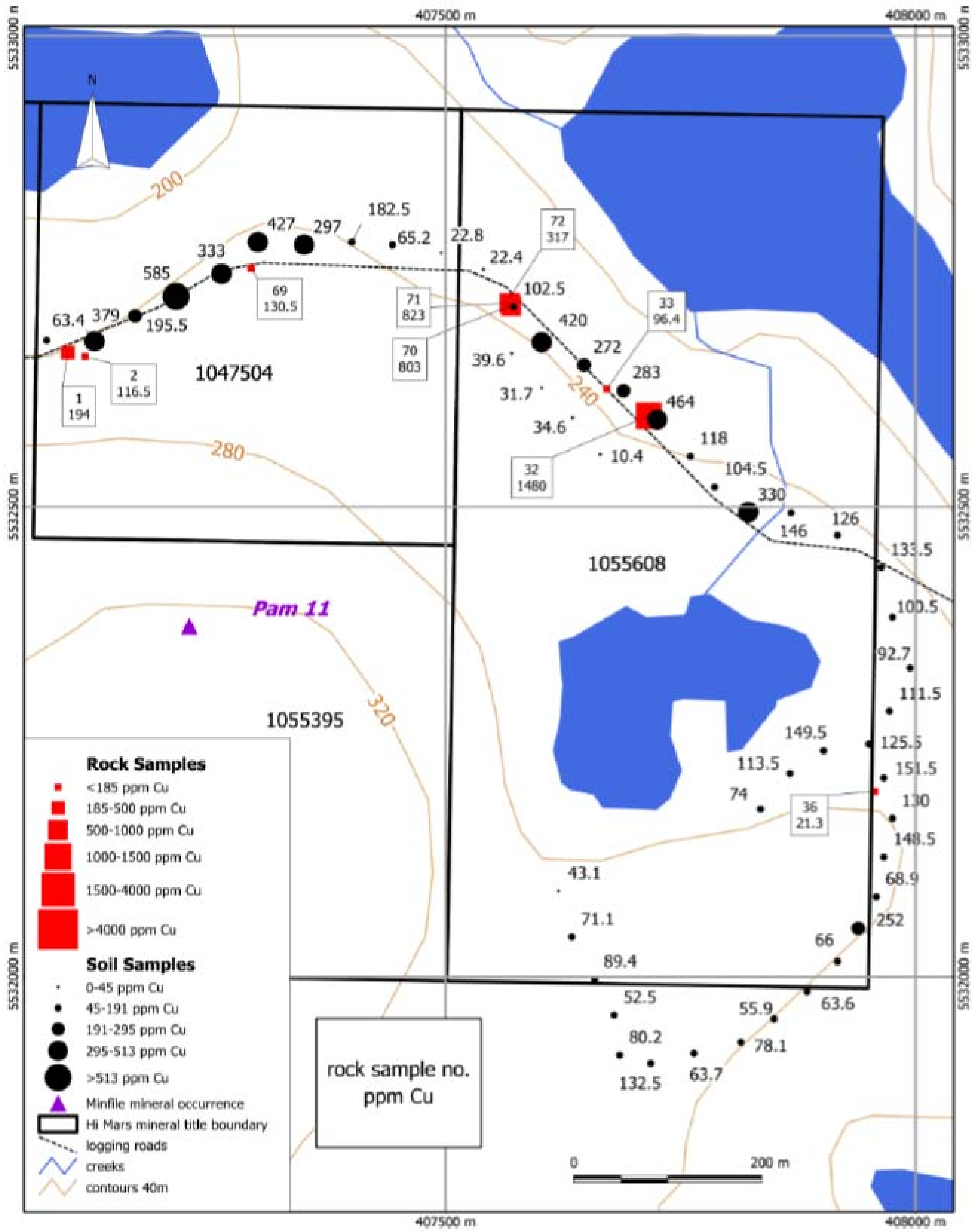

Figure 19. Rock and soil samples collected near the Pam 11 showing. Proportional symbol sizes and numeric values are for Cu (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

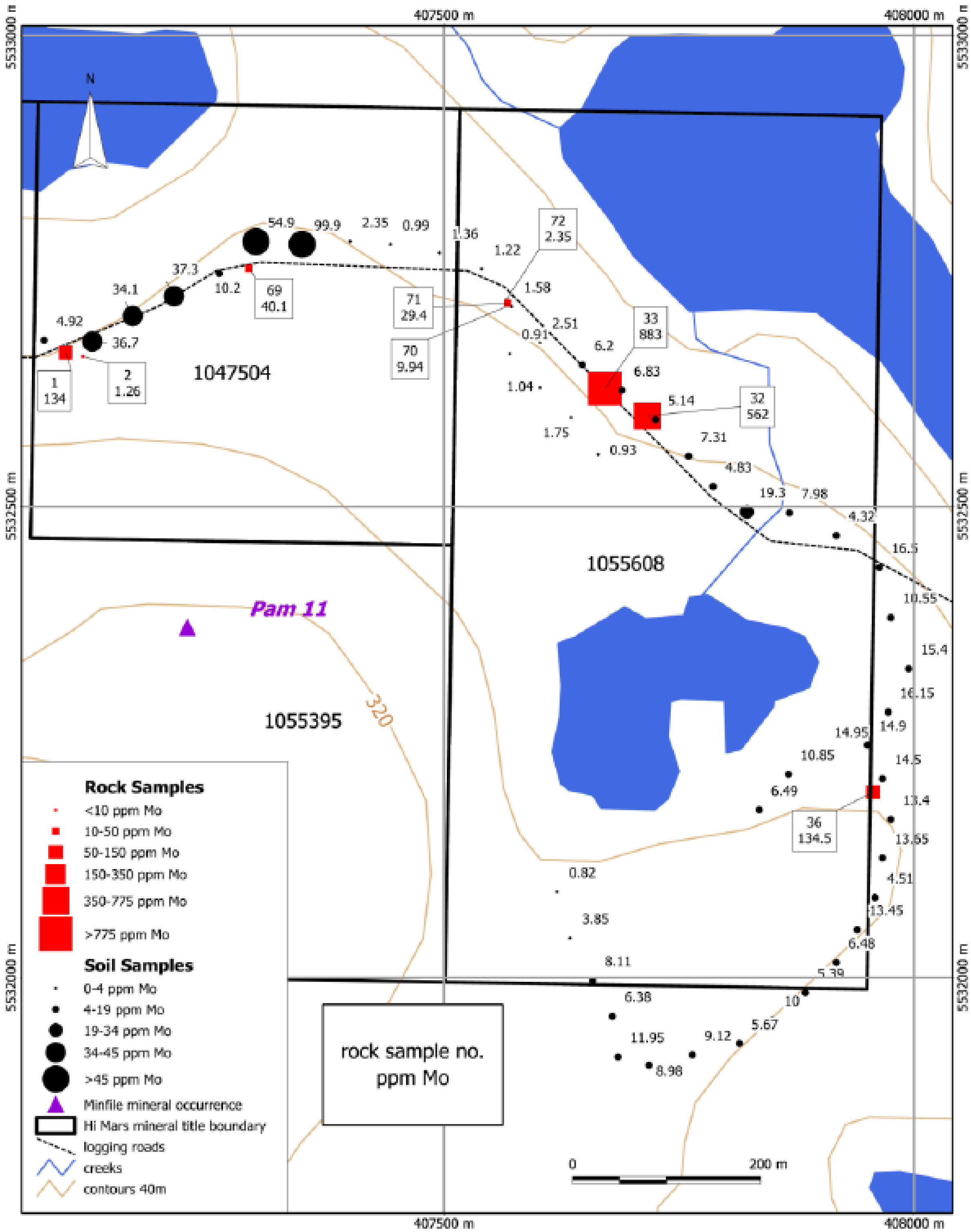

Figure 20. Rock and soil samples collected near the Pam 11 showing. Proportional symbol sizes and numeric values are for Mo (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

Bee (Minfile No. 092F 291)

Mineralization at the Bee showing occurs in quartz diorite that has been intruded by small aplite stringers, feldspar porphyry dykes and several irregular masses of quartz up to 2.4 metres wide. The mineralization consists of disseminated chalcopyrite and molybdenite, and veinlets and small irregular lenses of chalcopyrite and pyrite. Soil sampling in 2017 was done along a logging road approximately 1,000 metres north of the Bee showing. Only weakly anomalous values were returned for Cu and Mo (Figures 21 and 22). The highest soil value for Cu was 248 ppm and the highest value for Mo was 47.4 ppm. No rock samples were collected in the vicinity of the Bee showing.

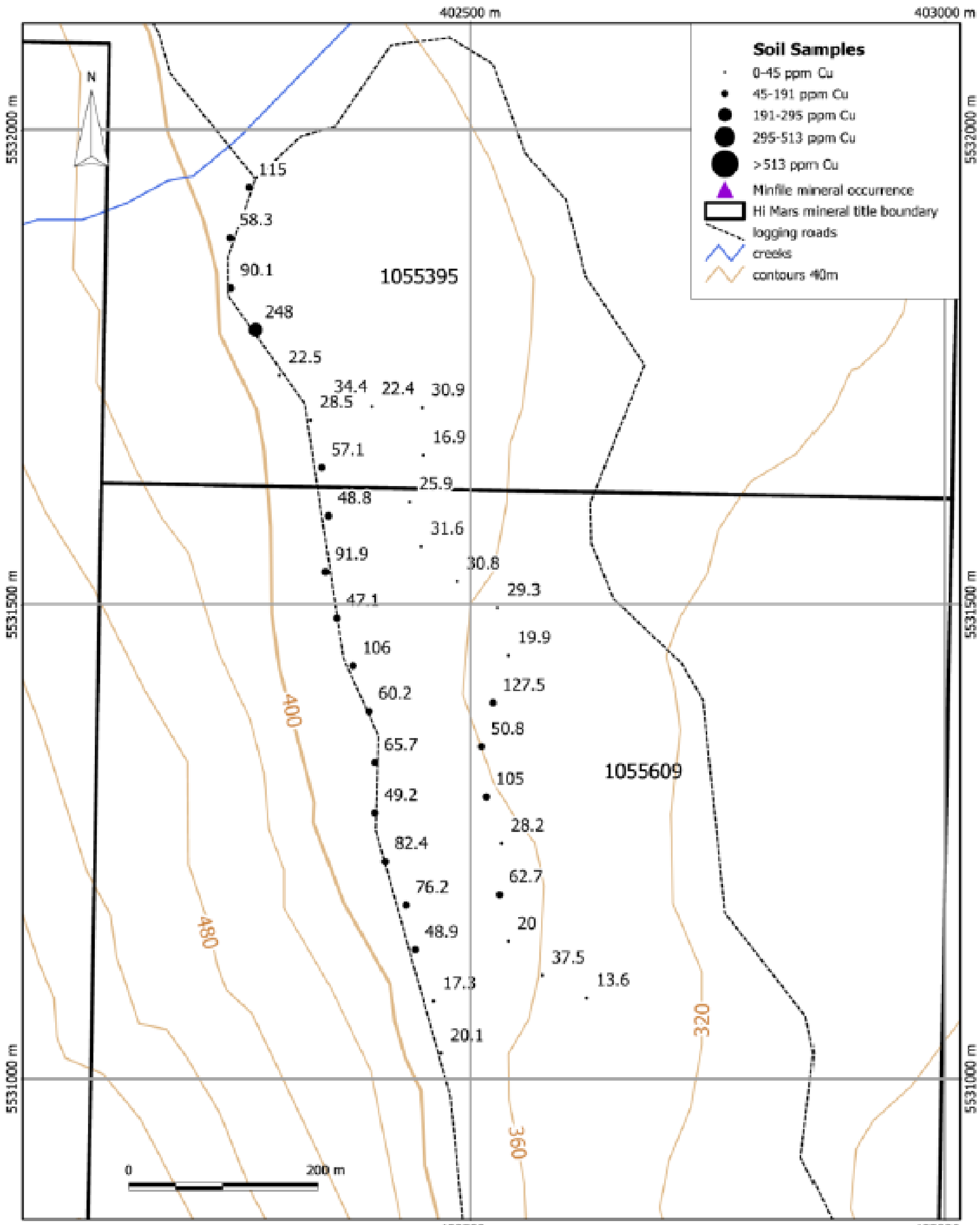

Figure 21. Soil samples collected near the Bee showing. Proportional symbol sizes and numeric values are for Cu (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

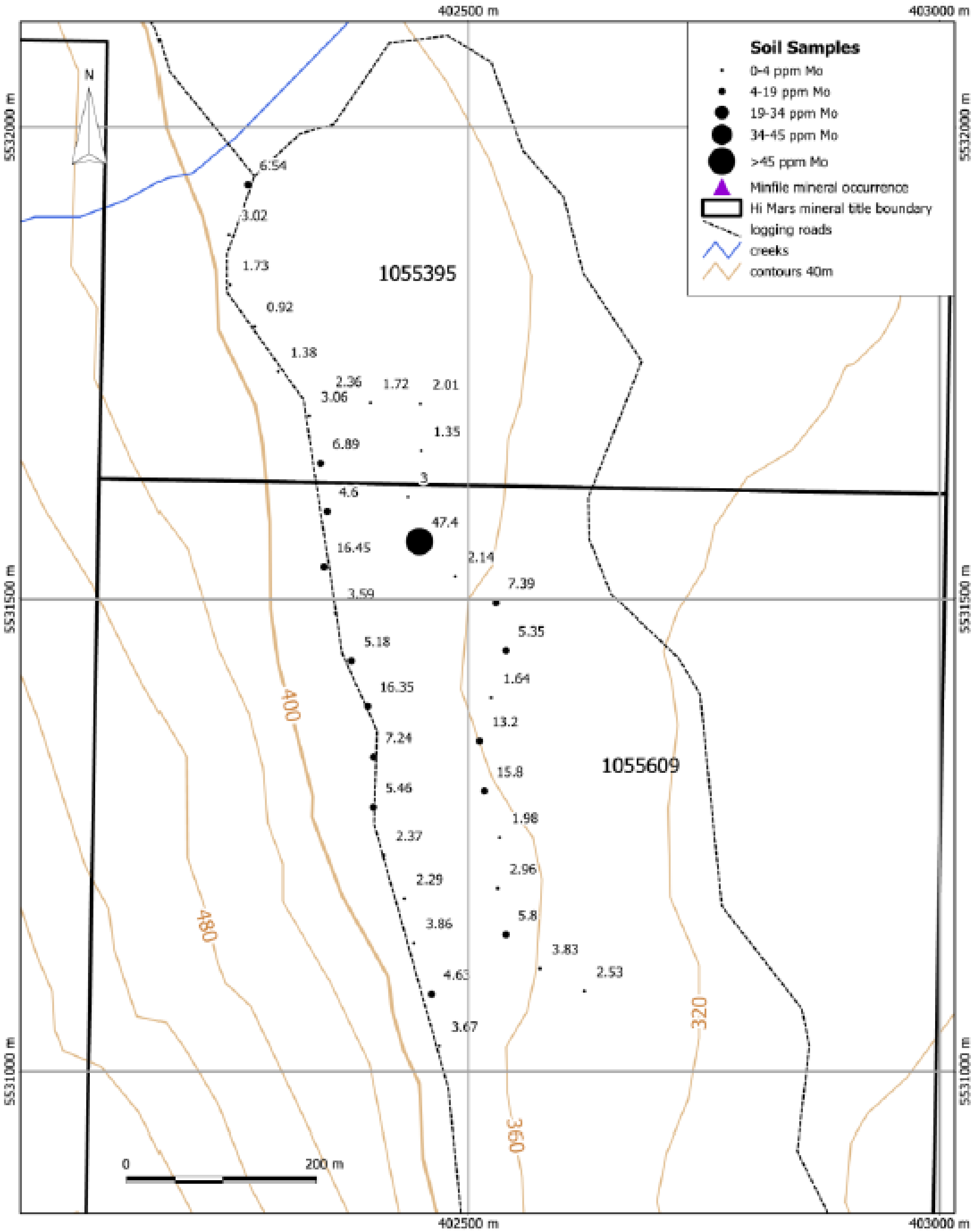

Figure 22. Soil samples collected near the Bee showing. Proportional symbol sizes and numeric values are for Mo (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

<u>Hi-Mars (Minfile No. 092F 292)</u>

Mineralization at the Hi-Mars showing consists of pyrite, chalcopyrite, molybdenite and limonite in quartz-filled fractures. Disseminated pyrite and magnetite are present in the granodiorite and quartz diorite host rock.

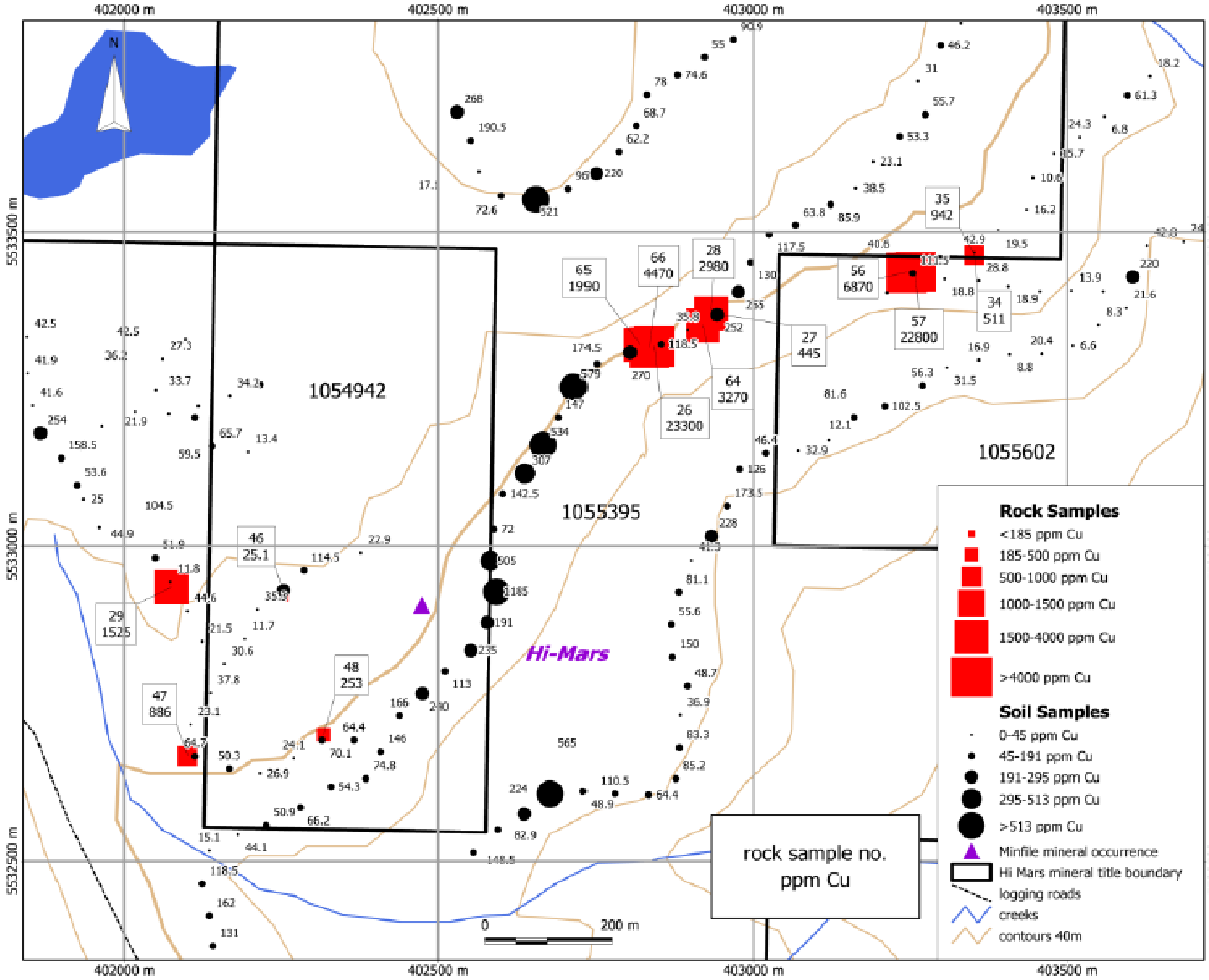

Figure 23. Rock and soil samples collected near the Hi-Mars showing. Proportional symbol sizes and numeric values are for Cu (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

As shown in Figure 23 a number of soil samples collected at 50 metre intervals along a new logging road east and northeast of the Hi-Mars Minfile locality returned anomalous Cu values, with the highest value being 1,185 ppm Cu. Further northeast along the same logging road, 6 rock samples collected over a distance of approximately 150 metres returned Cu values of 2.3%, 2,980 ppm, 1,525 ppm, 2,280 ppm, 3,270 ppm, 1,990 ppm and 4,470 ppm (respectively, samples 26, 28, 29, 64, 65, 66). These samples were also anomalous in Mo with values ranging from 233-1,535 ppm (Figure 24). The samples are described as granodiorite with molybdenite and chalcopyrite along fractures. Two more strongly anomalous rock samples were collected approximately 200 metres further east-northeast and returned values of 6,870 ppm and 2.3% Cu respectively (samples 56 and 57). Sample 56 also returned 952 ppm Mo. Surprisingly, soil samples collected near the Hi-Mars showings did not return strongly anomalous values for Cu or Mo. Another rock sample collected from a rock pit approximately 250 metres west of the Hi-Mars Minfile locality returned an anomalous Cu value of 1,525 ppm (sample 29) but low Mo.

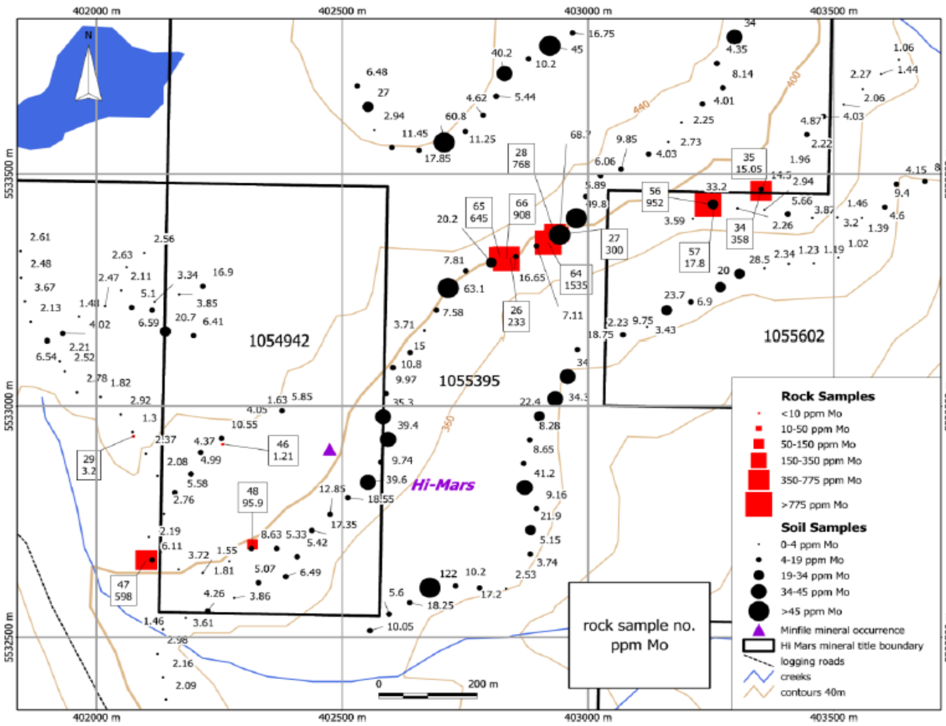

Figure 24. Rock and soil samples collected near the Hi-Mars showing. Proportional symbol sizes and numeric values are for Mo (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

Lewis (Minfile No. 092F 366)

Mineralization at the Lewis showing consists of disseminated and fracture-filling chalcopyrite in quartz diorite. The mineralization appears to be spatially and possible genetically related to emplacement of a younger elongate intrusion of granodiorite to quartz diorite composition (see Figure 9).

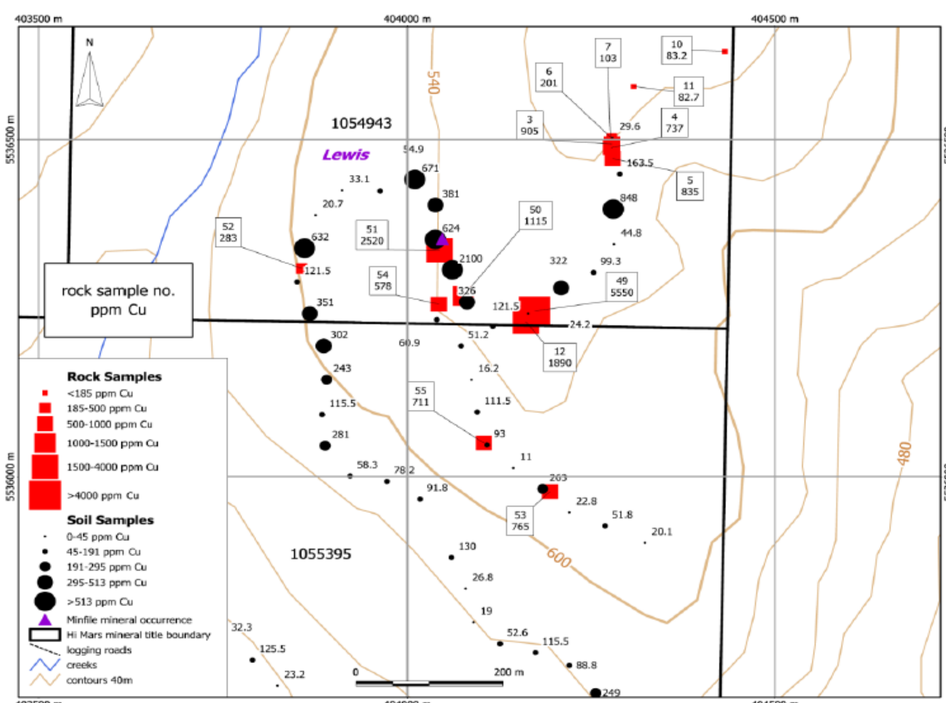

Figure 25. Rock and soil samples collected near the Lewis showing. Proportional symbol sizes and numeric values are for Cu (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

Soil and rock samples collected near the Lewis showing returned anomalous Cu values as shown in Figure 25. Soil samples contained up to 2,100 ppm Cu. Rock samples returned up to 5,550 ppm Cu. Mo values were low for both soil and rock samples collected at or near the showings (Figure 26). These results are consistent with those reported for previous work done in 1976 by the Redonda Syndicate as described under the "Narrative Description of the Business - History" section.

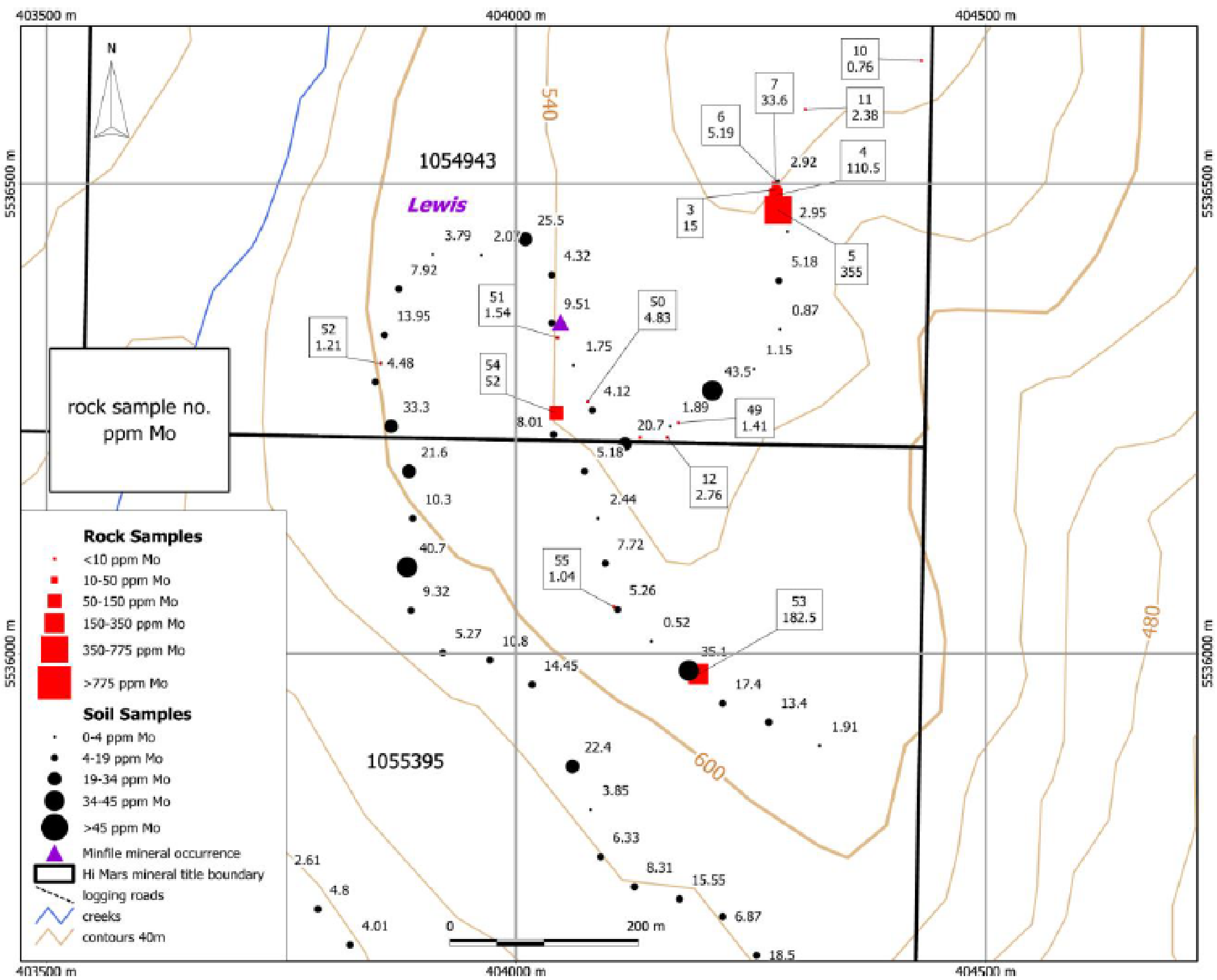

Figure 26. Rock and soil samples collected near the Lewis showing. Proportional symbol sizes and numeric values are for Mo (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

Spring Lake (Minfile No. 092F 369)

Mineralization at the Spring Lake showings occurs as disseminated chalcopyrite and pyrite occur in siliceous granodiorite. Minor mineralization is also present as fracture coatings.

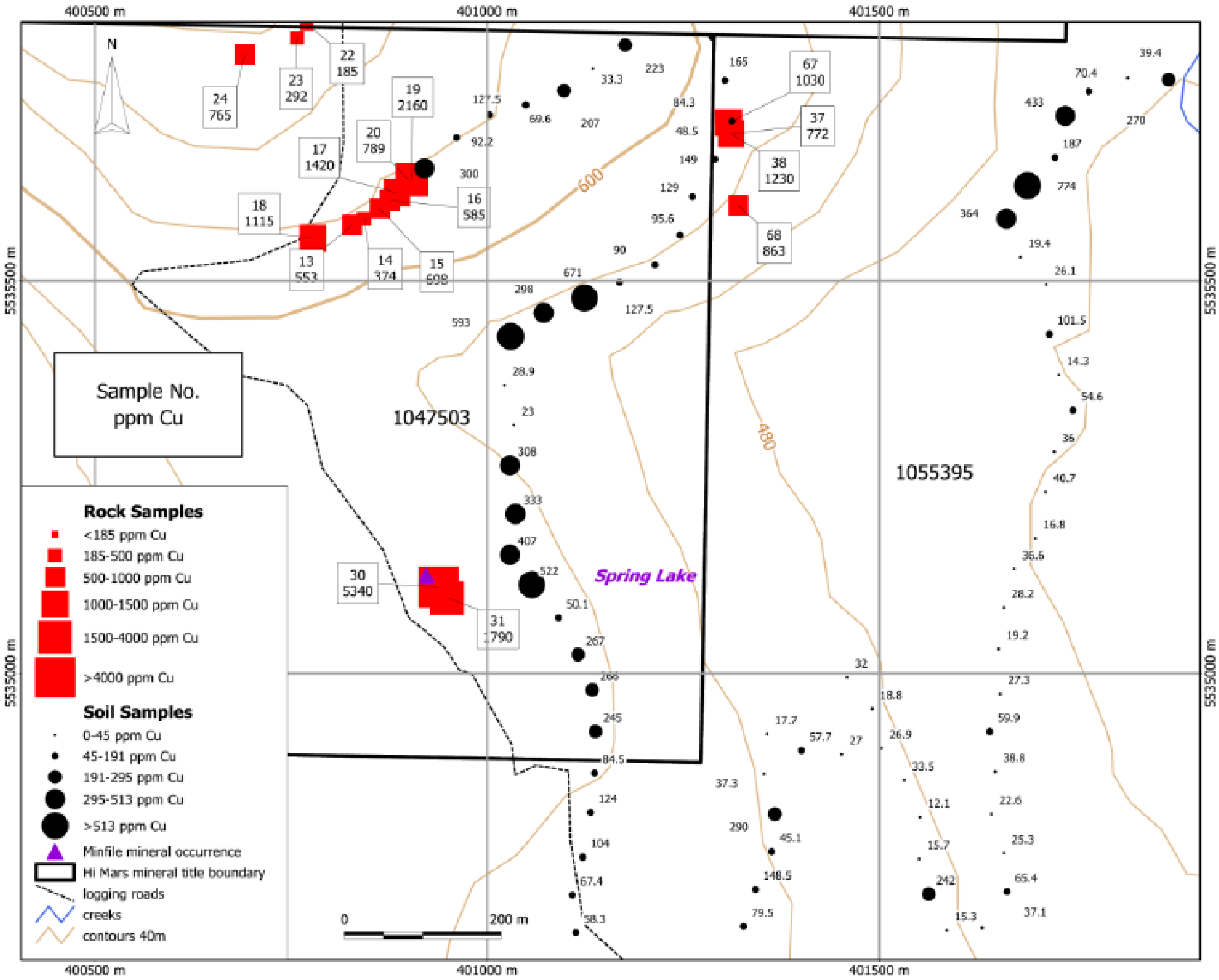

Figure 27. Rock and soil samples collected near the Spring Lake showing. Proportional symbol sizes and numeric values are for Cu (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

Soil samples collected over a distance of 350 metres along a logging road east of the Spring Lake showing returned anomalous Cu values ranging from 50.3 to 522 ppm (Figure 27). Mo values were also weakly to moderately anomalous ranging from 6.7 to 57.6 ppm. Two malachite stain rock samples collected from an old exploration pit at the Main showing (Rio Tinto Showing "C") returned 5,340 and 1,790 ppm Cu respectively (samples 30 and 31). An area of closely spaced rock samples located approximately 500 metres north-northwest of the C-showing (Figure 27) and collected from diorite outcrops along an east trending branch of the main logging road returned weak to moderately anomalous Cu values with values ranging from 374 to 2,160 ppm (samples 13 to 20).

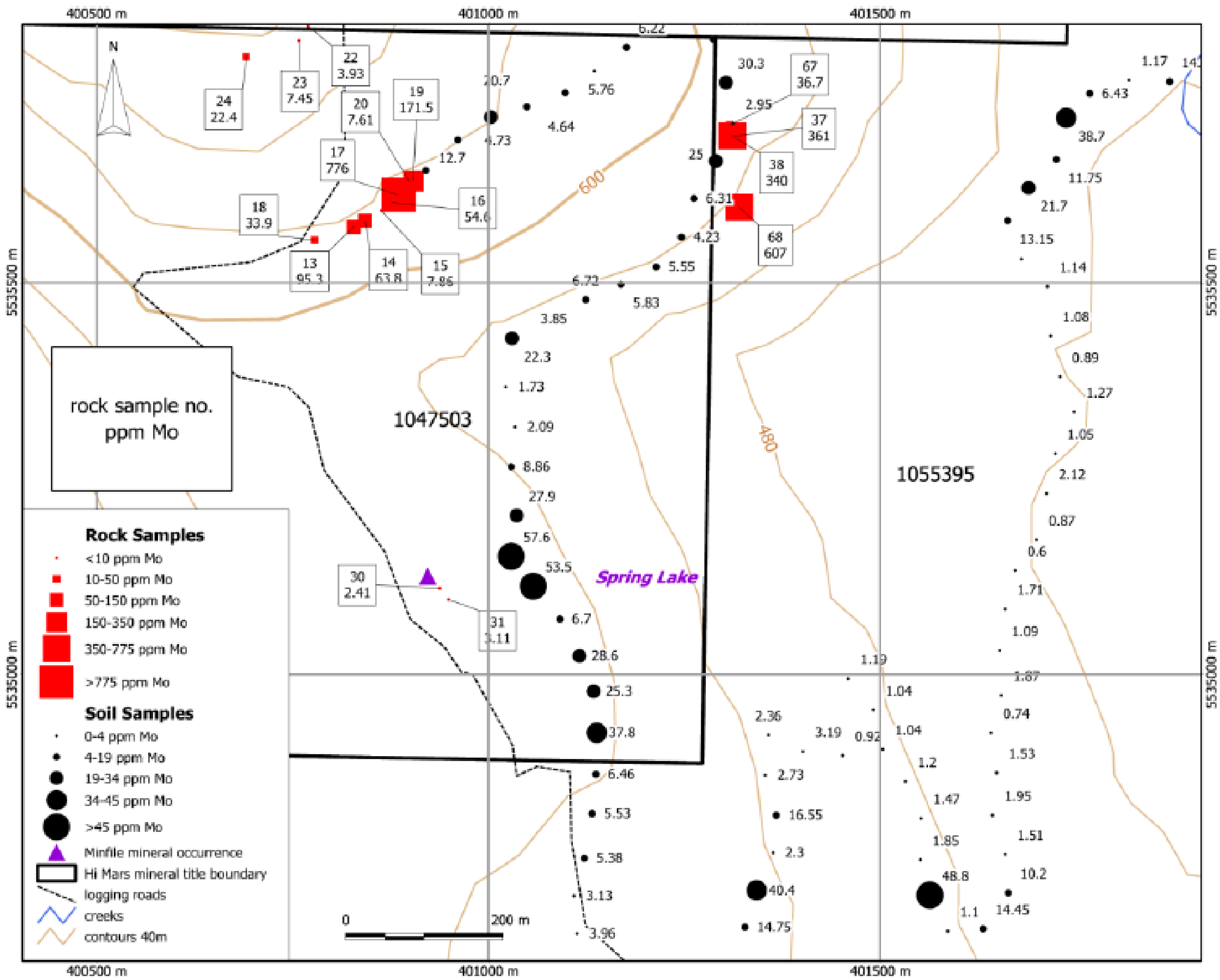

Figure 28. Rock and soil samples collected near the Spring Lake showing. Proportional symbol sizes and numeric values are for Mo (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

<u>Ho 5 (Minfile No. 092F 371)</u>

The Ho 5 showing is comprised of molybdenite and chalcopyrite in narrow quartz veins hosted by quartz diorite. Soil samples collected at 50 metre intervals along logging roads in the vicinity of the Ho 5 Minfile locality returned relatively low Cu and low to weakly anomalous Mo values (Figure 29 and 30).

In 2017 five rock samples collected along a logging road located approximately 500 metres north of the Ho 5 Minfile locality returned anomalous Cu and Mo values (Figures 29 and 30). A well mineralized grab sample of float or subcrop (sample 39) returned the highest value for Cu at 2.81% and for Mo at 1,860 ppm. Other rock samples located north of sample 39 returned Cu values ranging from 1,300 to 7,710 ppm and Mo values ranging from 674-1,595 ppm (samples 58-62). Sample 58 and 59 are described as disseminated molybdenite, chalcopyrite and pyrite in granite float material from the road bed. The source of the road bed material is believed to be a borrow pit where similar mineralized material occurs (sample 60). A new showing in outcrop with similar mineralization to the borrow pit samples was located further southeast at sample localities 61 and 62 (Figure 29).

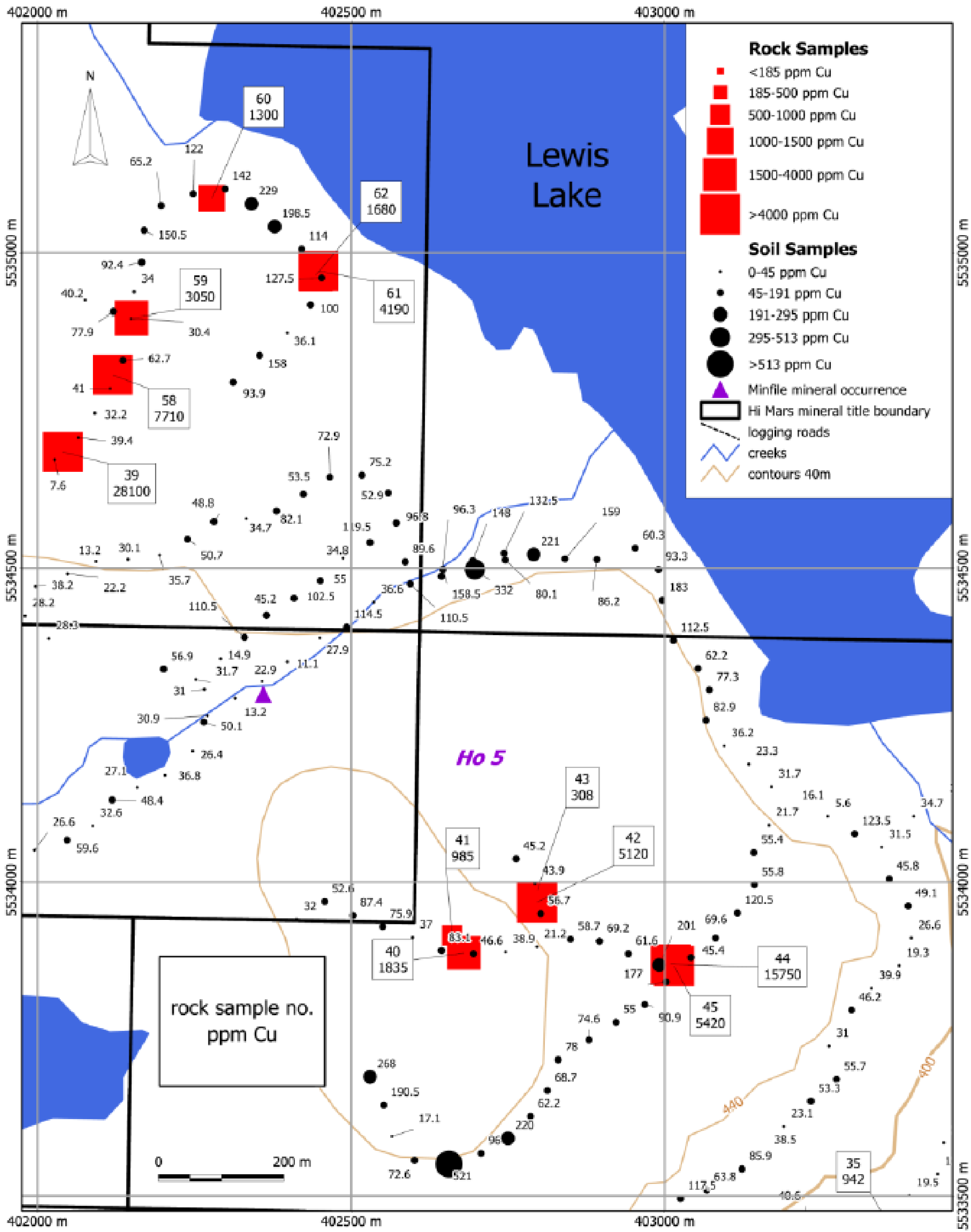

Figure 29. Rock and soil samples collected near the Ho 5 showing. Proportional symbol sizes and numeric values are for Cu (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

Outcrops and subcrops of hornblende quartz diorite with malachite and chalcopyrite mineralization were located in an area approximately 500 metres southeast of the Ho 5 Minfile locality (samples 40-45, Figure 29). Copper values for the samples collected ranged from 1,835 ppm to 1.57% Cu. One sample (sample 42) also returned 391 ppm Mo.

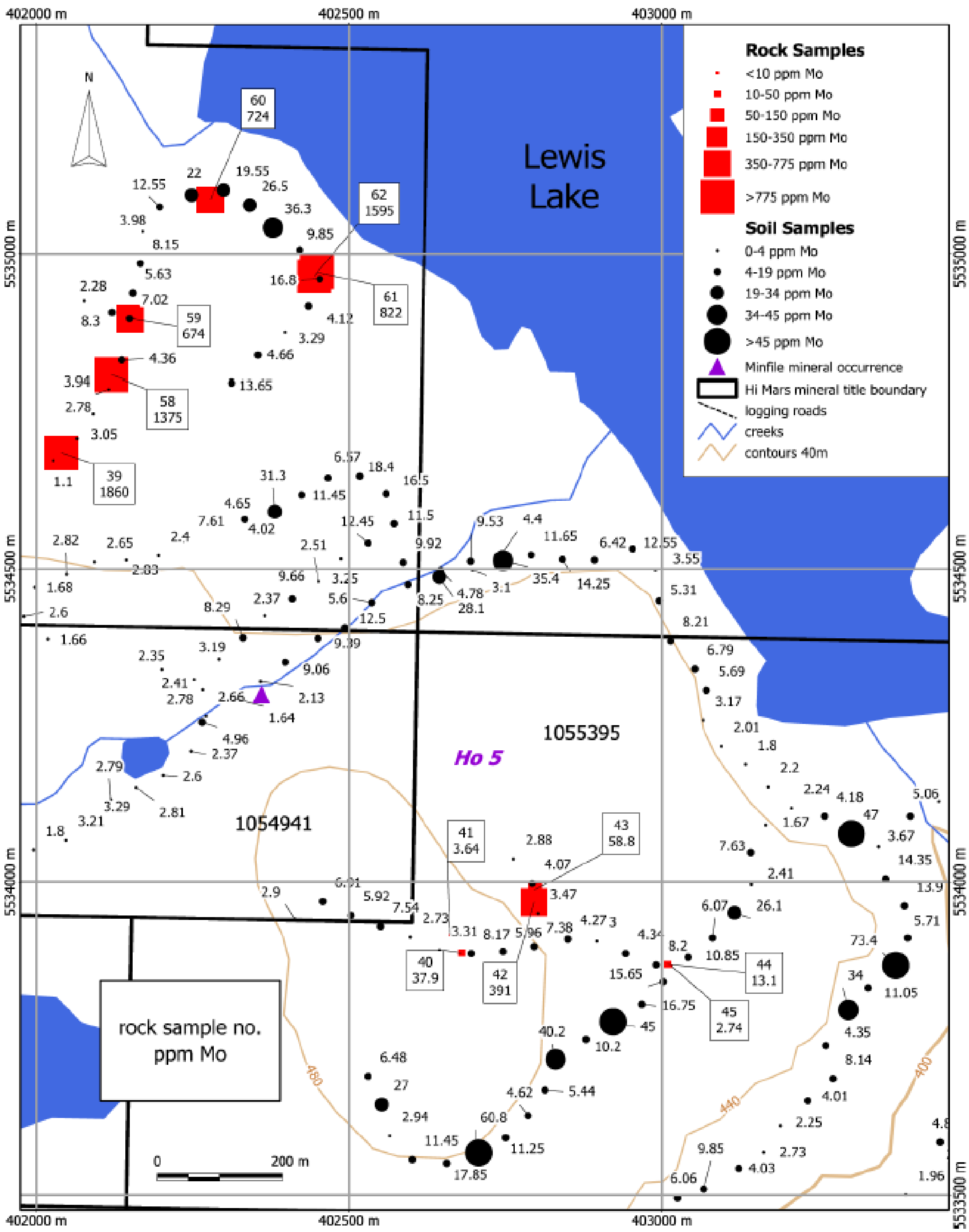

Figure 30. Rock and soil samples collected near the Ho 5 showing. Proportional symbol sizes and numeric values are for Mo (ppm). Map prepared by D.G. MacIntyre from company data, June 2018.

Drilling

Previous drilling on the Hi-Mars Property is described under the "Narrative Description of the Business - History" section. Unfortunately, most of the historical drill hole data is no longer available. No recent drilling has been completed on the Property.

Sample Preparation, Analyses and Security

All rock and soil samples collected from the Property in 2017 were shipped to ALS Minerals laboratory ("ALS") in North Vancouver. ALS is an ISO17025:2005 accredited analytical laboratory, which is independent from the Issuer.

All soil sample sites were marked in the field with labelled pink flagging tape. Field notes for each sample site were logged and recorded. The locations were determined using a handheld GPS. Where possible samples were collected from the B soil horizon. The samples were placed in kraft paper bags and stored securely prior to shipping to the ALS.

The security procedures followed by personnel working on the Property in 2017 are deemed to be appropriate for the type of sampling being done. Samples were not left unattended and were kept secure in vehicles and hotel rooms until they could be shipped directly to ALS. The Author is confident that the samples were kept secure and that they were not tampered with prior to arriving at the ALS Minerals laboratory.

Rock samples collected from the Hi-Mars Property in 2017 were placed in labelled plastic bags, with a label also placed within the bag and shipped directly to the ALS's laboratory in North Vancouver. At the lab, samples are crushed to 70% less than 2 mm in size. A 250 gram subsample is riffle split off and pulverized to better than 75% passing 75 microns. A prepared sample (0.50 g) is digested with aqua regia in a graphite heating block. After cooling, the resulting solution is diluted with deionized water, mixed and analyzed by inductively coupled plasma-atomic emission spectrometry (ICP-AES) for 51 elements (ME MS41 package). The upper and lower ranges of values that can be determined by this method are given in Table 8. Ore grade samples containing >10,000 ppm Cu were also analyzed by ICP-AES to quantify the Cu content to a percentage level (ME-OG46 assay procedure). For these, a prepared sample is digested in 75% aqua regia for 120 minutes. After cooling the resulting solution is diluted to 100 ml with de-ionized water, mixed and analyzed by ICP-AES. The results are reported in percent rather than ppm. The upper limit for this method is 20% for Cu.

ALS runs standards and provides re-samples at varying intervals for each sample shipment analysed. ALS performs quality assurance procedures that include repeat sampling and insertion of blank and/or standard samples for the purpose of data verification.

The Author has reviewed the original analytical certificates issued by ALS for rock samples submitted by Rich River in 2017. In the Author's opinion, the analytical procedures used to determine the concentrations of base and precious metals in the samples submitted were appropriate for an early stage exploration program. The quality control employed by ALS indicates a high level of precision and accuracy in the analytical results.

In the Author's opinion the sample collection and shipping protocols used by Rich River that were observed during the aforementioned Property visit are consistent with current industry best practises. These protocols being used ensure that samples collected from the Property are kept secure prior to their arrival at the analytical laboratory.

Table 8. Upper and Lower limits for ICP-AES analyses (ALS ME MS41 package)

ANALYTES & RANGES (ppm)							
Ag	0.01-100	Cs	0.05-500	Mo	0.05-10,000	Sr	0.2-10,000
Al	0.01-25%	Cu	0.2-10,000	Na	0.01%-10%	Ta	0.01-500
As	0.1-10,000	Fe	0.01%-50%	Nb	0.05-500	Te	0.01-500
Au*	0.2-25	Ga	0.05-10,000	Ni	0.2-10,000	Th	0.2-10,000
B	10-10,000	Ge	0.05-500	P	10-10,000	Ti	0.005%-10%
Ba	10-10,000	Hf	0.02-500	Pb	0.2-10,000	Tl	0.02-10,000
Be	0.05-1,000	Hg	0.01-10,000	Rb	0.1-10,000	U	0.05-10,000
Bi	0.01-10,000	In	0.005-500	Re	0.001-50	V	1-10,000
Ca	0.01%-25%	K	0.01%-10%	S	0.01%-10%	W	0.05-10,000
Cd	0.01-1,000	La	0.2-10,000	Sb	0.05-10,000	Y	0.05-500
Ce	0.02-500	Li	0.1-10,000	Sc	0.1-10,000	Zn	2-10,000
Co	0.1-10,000	Mg	0.01%-25%	Se	0.2-1,000	Zr	0.5-500
Cr	1-10,000	Mn	5-50,000	Sn	0.2-500		

Data Verification

The Author visited the Property on November 8, 2017. During this visit rock sample sites at the Rio Tinto "C" showing locality and nearby soil sample sites were examined. These were clearly marked and appropriately labelled. The rock sample sites were located in old pits dating back to the 1970's. The material exposed in the pits was well mineralized with visible malachite staining on fracture surfaces. Chalcopyrite and pyrite were observed in quartz veins and as disseminations. The material being collected at the sample sites that were examined was representative of the extent and intensity of mineralization observed at each site. The subsequent analytical results for these samples were consistent with the intensity of mineralization observed at the sample site. The Author also independently took GPS readings at each sample site visited as a check on the location accuracy being recorded by field personnel. The results were nearly identical. Overall, the density and distribution of sample sites were adequate for the purpose of showing the extent and grade of mineralization exposed on surface. The analytical results obtained in 2018 were similar to those determined by previous operators and, in the Author's opinion, these results give an accurate indication of the grade of mineralization that occurs in outcrop and subcrop at the sampled localities. No independent sampling was done by the author to verify the results obtained.

Mineral Processing and Metallurgical Testing

The author is not aware of any mineral processing or metallurgical testing that has been done on mineral samples from the Hi-Mars Property.

Mineral Resource and Mineral Reserve Estimates

In the Author's opinion, there is not enough available drill hole data to calculate a meaningful, NI 43-101 compliant resource estimate for the Hi-Mars Property.

Adjacent Properties

There are no properties adjacent to the Hi-Mars Property.

Other Relevant Data and Information

The Author is not aware of any additional sources of information that might significantly change the conclusions presented in the Technical Report.

Interpretation and Conclusions

The Hi-Mars Property covers six distinct Minfile mineral occurrences, all of which are classified as porphyry Cu-Mo types. Soil and rock sampling in the vicinity of these showings in 2017 confirmed the presence of anomalous soils and low to moderate grade Cu and Mo mineralization in granitic rocks at these showings, essentially confirming the results of previous exploration work on the Property. However, several showings located in 2017 along some of the more recent logging roads appear to be new. These discoveries have expanded the area of interest on the Property and warrant more follow-up work. Although soil sampling and prospecting along the network of logging roads on the Property is a cost effective tool for exploration, follow up work needs to be done on a more systematic grid layout in order to determine the actual extent and shape of soil anomalies and associated mineralization. In the Author's opinion, the most effective tool for determining the extent of subsurface sulphide mineralization is Induced Polarization ("IP") geophysics. This tool is typically used where the target is an area of extensive low grade sulphide mineralization such as that associated with a porphyry Cu-Mo type deposit.

Recommendations

In the Author's opinion the Hi-Mars Property continues to be a property of merit and additional exploration expenditures are warranted. Numerous high grade Cu+/-Mo showings have been detected on the Property. New logging roads continue to expose new occurrences of Cu-Mo mineralization. Following up on the work done in 2017, the Author recommends a Stage 1 exploration program focussed on additional soil sampling with coincident IP surveys in targeted areas. In particular, the extent of anomalous soils located near the Pam 11, Lewis, Hi-Mars and Ho 5 showings needs to be determined. A coincident IP survey will help determine if there is a correlation with subsurface sulphide mineralization. It is recommended that soil sampling/IP grids have line spacing of 100 metres with stations every 25 metres. Given the density of underbrush in some areas, it may be necessary to cut lines in order to facilitate the geochemical and IP surveys. The objective of these surveys is to try to determine the extent of subsurface mineralization beyond the current known showings, all of which are located in road cuts or quarries along logging roads. Depending on the results of the Stage 1 recommended soil/IP surveys, a Stage 2 program would involve additional work in the form of targeted diamond drilling. The projected costs for the recommended Stage and Stage 2 work programs are given in Table 9.

Table 9. Projected costs for proposed Stage 1 and Stage 2 exploration program, Hi-Mars Property

Stage 1

Expense	No.	Units	Unit cost	Total
Mob/Demob (2 field technicians)	4	person days	$400	$1,600
Line cutting (contract)	20	kilometres	$1200	$24,000
Soil sampling (2 field techs)	30	person days	$400	$12,000
Project supervision (geologist)	15	days	$600	$9,000
Ground geophysics IP contract	20	line-kilometres	$2000	$40,000
Hotel (2 rooms @ $150/day)	15	days	$300	$4,500
Meals (2 field techs, 1 geologist)	45	person days	$100	$4,500
Analytical	300	analyses	$30	$9,000
Vehicle rental	15	days	$100	$1,500
Fuel	250	litres	$1.40	$350
Report preparation (geologist)	10	days	$600	$6,000
			Total	**$112,450**

Stage 2

Expense		Units	Unit cost	Total
Diamond drilling	1000	metres	$210	$210,000
Per diem costs	240	Person days	$110	$26,400
Analytical	300	analyses	$35	$10,500
Geologists/camp manager	30	Person days	$650	$19,500
Report preparation	10	days	$650	$6,500
			Total	**$272,900**
		Total Phase 1 + 2		**$385,350**

USE OF PROCEEDS

Proceeds

The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Common Shares offered pursuant to the Offering in the provinces of British Columbia and Alberta. If all of the Common Shares offered pursuant to this Offering are sold, the gross proceeds to the Issuer will be $350,000 (assuming no exercise of the Over-Allotment Option).

This Offering is subject to the completion of a minimum subscription of 3,500,000 Common Shares for gross proceeds to the Issuer of $350,000. The Offering will remain open until the date that is 90 days after a receipt is issued for the final Prospectus, unless an amendment to the final Prospectus is filed and the principal regulator has issued a receipt for the amendment, in which case the Offering must cease within 90 days after the date of the receipt for the amendment to the final Prospectus. In any event, the Offering must cease at the latest 180 days from the date of the receipt for the final Prospectus. If the minimum subscription is not completed within 90 days of the issuance of a receipt for the Prospectus, all subscription monies will be returned to Subscribers without interest or deduction.

Funds Available

The gross proceeds to the Issuer (excluding proceeds which may be received from the exercise of the Over-Allotment Option) from the sale of the Common Shares offered hereby will be $350,000. The total funds available to the Issuer at the closing of the Offering, after deducting the estimated expenses of the Offering of $100,000, the Agent's Commission of $35,000 and the Corporate Finance Fee of $25,000 and including estimated working capital as at December 31, 2019, of $19,833, are estimated to be $209,833.

Principal Purposes

Expenses	**Funds to be Used**[(1)]
To pay the estimated cost of the recommended exploration program and the budget on the Hi-Mars Property as outlined in the Technical Report[(2)]	$112,450
To provide funding sufficient to meet administrative costs for 12 months	$95,800[(3)]
To provide general working capital to fund the Issuer's ongoing operations	$1,583
TOTAL:	$209,833

Notes:
(1) The Issuer intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. In the event of exercise of the Over-Allotment Option, the Issuer will use the additional proceeds for general working capital and, if warranted, to fund a portion of Phase 2 of the recommended exploration program on the Hi-Mars Property.
(2) See "Narrative Description of the Business – Recommendations" above for a summary of the work to be undertaken, a breakdown of the estimated costs and the nature of title to, or the Issuer's interest in, the Hi-Mars Property.
(3) Of this amount, the Issuer anticipates that $36,000 will be paid as management fees to Matalia Investments Ltd. a private company controlled by Robert Coltura. See the "Administrative Expenses" table below.

Upon completion of the Offering, the Issuer's working capital available to fund ongoing operations will be sufficient to meet its administrative costs and exploration expenditures for twelve months. Estimated administrative expenditures for the 12 months following completion of the Offering are comprised of the following:

Administrative Expenses	**Funds to be Used**
Office Rent	$12,000
Management and Administration Services	$36,000
Miscellaneous Office and Supplies	$6,000
Transfer Agent	$4,000
Legal	$5,000
Accounting and Audit	$25,000
CSE Monthly Maintenance Fees	$7,800
TOTAL:	**$95,800**

Since its incorporation on August 22, 2017, the Issuer has not generated cash flow from its operations and has incurred certain operating losses. Such losses and negative operating cash flow are expected to continue since funds will be expended to pay its administrative expenses and to conduct the recommended exploration program on the Hi-Mars Property. Although the Issuer has allocated $95,800 (as above) from the Offering to fund its ongoing operations for a period of 12 months, thereafter, the Issuer will be reliant on future equity financings for its funding requirements.

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

Until required for the Issuer's purposes, the proceeds will be invested only in securities of, or those guaranteed by, the Government of Canada or any province of Canada, in certificates of deposit or interest-bearing accounts of Canadian chartered banks or trust companies or in prime commercial paper. The Issuer's Chief Financial Officer will be responsible for the investment of unallocated funds.

In the event of exercise, in full, of the Over-Allotment Option, potential additional gross proceeds totalling $52,500 will be added to the Issuer's general working capital.

Stated Business Objectives and Milestones

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

(a) complete the Listing of the Common Shares on the Exchange; and

(b) conduct the exploration program on the Hi-Mars Property recommended in the Technical Report.

The Listing is expected to cost the Issuer $13,500 in respect of the initial listing fee payable to the Exchange (which amount comprises part of the estimated expenses of the Offering of $100,000). The Listing is subject to the Issuer fulfilling all of the requirements of the Exchange, however, it is expected by the Issuer that the Listing will be completed in the first quarter of 2020.

Upon completion of the Offering, the first stage of the exploration program on the Hi-Mars Property is projected to cost $112,450 and is expected to be conducted in spring 2020 or early summer 2020, depending on the weather. If the results of the first stage of the work program warrant continued exploration of the Hi-Mars Property, it is intended that the second stage of the exploration program will be carried out at an additional projected cost of $272,900. The Issuer would be required to raise further capital to fund the second stage of the exploration program and there can be no assurance that the Issuer will be successful in raising such funds.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

Financial Information

The Issuer was incorporated in the province of British Columbia on August 22, 2017. The following table summarizes selected information from the Issuer's audited financial statements for the period ended December 31, 2017 and year ended December 31, 2018, and the Issuer's unaudited financial statements for the nine months ended September 30, 2019.

	Nine Month Period ended September 30, 2019 (Unaudited)	**Year ended December 31, 2018 (Audited)**	**Period from Incorporation to December 31, 2017 (Audited)**
Total revenues	Nil	Nil	Nil
Exploration expenditures and evaluation asset	$123,239	$123,239	$110,684
Consulting fees	$15,000	$36,000	Nil
Professional fees	$4,650	$653	$1,260
Office and administrative	$4,189	$11,983	$369
Telephone and utilities	$1,237	$3,786	Nil
Rent	$3,750	$9,000	Nil
Share-based payments	$49,750	$30,000	Nil
Net loss and comprehensive loss	($87,096)	($91,422)	($1,629)
Basic and diluted loss per common share	($0.01)	($0.02)	($1,629)

	Nine Month Period ended September 30, 2019 (Unaudited)	Year ended December 31, 2018 (Audited)	Period from Incorporation to December 31, 2017 (Audited)
Total assets	$143,104	$177,338	$110,742
Long-term financial liabilities	Nil	Nil	Nil
Cash dividends per share	Nil	Nil	Nil

Note:
(1) Management fees paid to Matalia Investments Ltd., a private company controlled by Robert Coltura.

Dividends

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

Management's Discussion and Analysis

The following discussion of the operating results and financial position of the Issuer should be read in conjunction with the unaudited financial statements and related notes for the period ended September 30, 2019, the audited financial statements and related notes for the year ended December 31, 2018 and for the period from incorporation to December 31, 2017. The financial statements are included in this Prospectus under Schedule "B" and should be referred to when reading this disclosure. The financial statements summarize the financial impact of the Issuer's financings, investments and operations, which financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following Management's Discussion and Analysis ("MD&A") is quoted in Canadian dollars. The effective date of this MD&A is October 29, 2019.

The Issuer is not a reporting issuer and was not required to prepare interim financial statements, therefore, other than for the nine month period September 30, 2019, quarterly results are not available.

Overall Performance

The Issuer is engaged in the business of mineral exploration in British Columbia. During this period, the Issuer entered into the Option Agreement to acquire a 100% interest in the Maple Bay Property, see "General Development of the Business" above and "Liquidity and Capital Resources" below. The Hi-Mars Property is the sole property of the Issuer.

Results of Operations

Nine Month Period ended September 30, 2019

During the nine month period ended September 30, 2019, the Issuer reported nil revenue and a net loss of ($87,096) (Nil per common share). The Issuer incurred $4,189 for office expenses during the financial period. The Issuer also paid the aggregate amount of $4,650 in professional fees and did not incur any exploration expenditures.

During the nine month period ended September 30, 2019, the Issuer did not receive any proceeds for shares issued, but granted 600,000 stock options, each option exercisable for one common share at a price of $0.10 per share to its directors and officers. As a result, the Issuer incurred $49,750 in share-based payments.

As at the date of this Prospectus, the outstanding securities of the Issuer consisted of 12,070,001 Common Shares, 10,070,000 Warrants and 600,000 stock options.

Year ended December 31, 2018

During the year ended December 31, 2018, the Issuer reported nil revenue and a net loss of ($91,422) ($0.02 per common share). The Issuer incurred $653 for professional fees, $11,983 for office and administrative expenses and $3,786 for telephone and utilities during the financial year. The Issuer also paid the aggregate amount of $36,000 in consulting fees and $9,000 in rent.

During the year ended December 31, 2018, the Issuer incurred acquisition and exploration expenditures in the aggregate amount of $12,555.

The Issuer received $238,500 in gross proceeds for shares issued, all of which was received for shares issued in the year ended December 31, 2018. The Issuer was deemed to have incurred a share-based payment expense of $30,000 due to the fact that 2,000,000 Common Shares worth an estimated $40,000 were issued at a price of $0.005 per share to a founder of the Issuer for proceeds of $10,000.

Period ended December 31, 2017

During the financial period ended December 31, 2017, the Issuer reported nil revenue and a net loss of ($1,629) ($1,629 per common share). The Issuer incurred exploration expenditures in the aggregate amount of $110,684. The Issuer received gross proceeds of $1.00 for the issuance of a single Common Share at the date of incorporation.

Liquidity and Capital Resources

During the first year after completion of this Offering, the Issuer estimates that the aggregate annual cost of general administration for its operations will be approximately $95,800. See "Use of Proceeds" above. The net proceeds from the Offering should be sufficient to fund the Issuer's operations for at least a period of 12 months. There are no other capital expenditures to be incurred by the Issuer during the period.

Nine Month Period ended September 30, 2019

The Issuer does not yet generate positive cash flow from operations and is therefore reliant upon the issuance of its Common Shares to fund its operations. As of September 30, 2019, its capital resources consisted of a cash balance of $9,690 and amounts receivable of $175. The Issuer also had an accounts payable and accrued liabilities balance of Nil. The Issuer expects that it will be able to meet its current obligations as they come due with its existing cash and other receivable balances.

The Issuer's sole property is the Hi-Mars Property, consisting of 11 contiguous mineral titles covering an area of 1,788 hectares located approximately 17 km northeast of the City of Powell River in southwest British Columbia, within the Vancouver Mining Division. The Issuer currently beneficially owns 51% of the Hi-Mars Property and retains an option to acquire the remaining 49% interest in the Hi-Mars Property, subject to a 3% net smelter returns royalty, as set out in the Property Option Agreement (see "General Development of the Business" above). The Issuer did not incur any exploration and evaluation asset expenditures during the period ended September 30, 2019. During the period ended September 30, 2019, the Issuer did not incur any exploration expenditures. The Issuer is not required to make any exploration expenditures on the Hi-Mars Property or make further payments of cash installments to the Optionors until 24 months after the Listing Date.

As of December 31, 2019, the Issuer had a working capital of $19,833. The Issuer expects to incur losses for at least the next 24 months and there can be no assurance that the Issuer will ever make a profit. To achieve profitability, the Issuer must advance its Property through further exploration in order to bring the Property to a stage where the Issuer can attract the participation of a major resource company, which has the expertise and financial capability to place such property into commercial production.

Assuming that the Issuer expends the exploration expenses in accordance with the recommendations on the Property, the Issuer presumably will have achieved one of its material stated business objectives which is to determine whether the Property contains mineralized deposits and whether the results warrant the Issuer carrying out further work on the Property. If the results on the Property do not warrant the Issuer incurring further exploration expenditures, then the Issuer 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 Property, then the Issuer would be required to look to raise further capital. Other than as disclosed in this Prospectus, the Issuer does not anticipate incurring any other material capital expenditures.

The Issuer has concluded transactions and arrangements with related parties. See "Interest of Management and Others in Material Transactions" below for further details.

Year ended December 31, 2018

The Issuer does not yet generate positive cash flow from operations and is therefore reliant upon the issuance of its Common Shares to fund its operations. As of December 31, 2018, its capital resources consisted of a cash balance of $49,249 and accounts receivable of $912. The Issuer also had an accounts payable balance of $1,888. The Issuer expects that it will be able to meet its current obligations as they come due with its existing cash and other receivable balances.

The Issuer's sole property is the Hi-Mars Property consisting of 11 contiguous mineral titles covering an area of 1788.00 hectares located approximately 17 km northeast of the City of Powell River in southwest British Columbia, within the Vancouver Mining Division. The Issuer currently beneficially owns 51% of the Hi-Mars Property and retains an option to acquire the remaining 49% interest in the Hi-Mars Property, subject to a 3% NSR, as set out in the Property Option Agreement (see "General Development of the Business" above). During the period ended December 31, 2018, the Issuer incurred $12,555 in exploration and evaluation asset expenditures comprised of $5,000 in acquisition costs (representing the initial cash payment due under the Property Option Agreement) and $7,555 in exploration costs. In order to exercise the Option under the Property Option Agreement, the Issuer is not required to make any exploration expenditures on the Hi-Mars Property or make further payments of cash installments to the Optionors until 24 months after the Listing Date. In order to meet future exploration commitments and cash payments, the Issuer will require additional capital resources.

Year ended December 31, 2017

The Issuer does not yet generate positive cash flow from operations and is therefore reliant upon the issuance of its Common Shares to fund its operations. As of December 31, 2017, its capital resources consisted of a cash balance of $1 and accounts receivable of $57. The Issuer also had an accounts payable balance of $112,370. The Issuer expects that it will be able to meet its current obligations as they come due with its existing cash and other receivable balances.

The Issuer's sole property is the Hi-Mars Property. During the period ended December 31, 2017, the Issuer incurred $110,684 in exploration and evaluation asset expenditures from exploration costs. In order to exercise the Option under the Property Option Agreement, the Issuer is not required to make any exploration expenditures on the Hi-Mars Property or make further payments of cash installments to the Optionors until 24 months after the Listing Date. In order to meet future exploration commitments and cash payments, the Issuer will require additional capital resources.

As of December 31, 2019, the Issuer had a working capital of $19,833. The Issuer expects to incur losses for at least the next 24 months and there can be no assurance that the Issuer will ever make a profit. To achieve profitability, the Issuer must advance its Property through further exploration in order to bring the Property to a stage where the Issuer can attract the participation of a major resource company, which has the expertise and financial capability to place such property into commercial production.

Assuming that the Issuer expends the exploration expenses in accordance with the recommendations on the Hi-Mars Property, the Issuer presumably will have achieved one of its material stated business objectives which is to determine whether the Hi-Mars Property contains mineralized deposits and whether the results warrant the Issuer carrying out further work on the Hi-Mars Property. If the results on the Hi-Mars Property do not warrant the Issuer incurring further exploration expenditures, then the Issuer 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 Hi-Mars Property, then the Issuer would be required to look to raise further capital. Other than as disclosed in this Prospectus, the Issuer does not anticipate incurring any other material capital expenditures. The Issuer has concluded transactions and arrangements with related parties. See "Interest of Management and Others in Material Transactions" below for further details.

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

Transactions Between Related Parties

Nine Month Period ended September 30, 2019

The share-based payments increase of $19,750 was a result of the Issuer issuing 600,000 stock options to directors and officers of the Issuer during the period ended September 30, 2019. In the comparative period the share-based payments were a result of the Issuer issuing common shares to directors and officers of the Issuer at a lower value than the fair value of the common shares. The resulting difference was recorded as share-based payments.

For the year ended September 30, 2019, the Issuer paid consulting fees of $15,000 to Matalia Investments Ltd., a private company controlled by Robert Coltura, under the Administrative Services Agreement. The transaction is considered to be a related party transaction as at the date of execution of the Administrative Services Agreement, Mr. Coltura was the Chief Executive Officer, President and director of the Issuer. Mr. Coltura is also a promoter of the Issuer.

Pursuant to the Administrative Services Agreement, Matalia Investments Ltd. provides management and administrative services to the Issuer for a fee of $3,000 per month.

Year ended December 31, 2018

During the year ended December 31, 2018, the Issuer issued 2,000,000 Common Shares with an estimated fair value of $40,000 to directors and officers of the Issuer, including Dusan Berka and a former director and officer of the Issuer, Jonathan Lotz. Accordingly, the Issuer recorded an amount of $30,000 as share-based payments during the year ended December 31, 2018.

For the year ended December 31, 2018, the Issuer paid consulting fees of $36,000 to Matalia Investments Ltd., a private company controlled by Robert Coltura, under the Administrative Services Agreement. The transaction is considered to be a related party transaction as at the date of execution of the Administrative Services Agreement, Mr. Coltura was the Chief Executive Officer, President and director of the Issuer. Mr. Coltura is also a promoter of the Issuer.

Pursuant to the Administrative Services Agreement, Matalia Investments Ltd. provides management and administrative services to the Issuer for a fee of $3,000 per month.

Year ended December 31, 2017

For the year ended December 31, 2017, there was no related party transaction.

DESCRIPTION OF THE OUTSTANDING SECURITIES

Authorized and Issued Share Capital

The authorized share capital of the Issuer consists of an unlimited number of common shares without par value. As of the date of this Prospectus, 12,070,001 Common Shares were issued and outstanding as fully paid and non-assessable shares.

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

Warrants

As at the date of this Prospectus, there are 10,070,000 Warrants outstanding as set forth below:

Issue Date	Number of Warrants	Exercise Price	Expiry Date
August 31, 2018	3,750,000	$0.05	August 31, 2023
August 31, 2018	5,250,000	$0.05	August 31, 2023
September 21, 2018	1,070,000	$0.05	September 21, 2023

These Warrants were issued to subscribers of various rounds of equity offerings conducted by the Issuer.

Options

As at the date of this Prospectus, there are 600,000 outstanding stock options granted to the Issuer's directors and Named Executive Officers. See "Options and Other Rights to Purchase Securities" below.

DESCRIPTION OF THE SECURITIES TO BE DISTRIBUTED

Offered Common Shares

An aggregate of 3,500,000 Common Shares and up to 525,000 Over-Allotment Shares are hereby offered at the Offering Price of $0.10 per Common Share. The securities to be distributed pursuant to the Offering hereunder are qualified by this Prospectus and are more particularly described under the heading "Plan of Distribution".

Compensation Warrants

The Issuer has agreed to grant to the Agent, Compensation Warrants entitling the Agent to purchase that amount of Compensation Shares as is equal to 10% of the aggregate number of Common Shares issued pursuant to this Offering (including any Over-Allotment Shares upon exercise of the Over-Allotment Option) with an exercise price per Compensation Share that is equal to the Offering Price for a period of 24 months from the Closing Day.

Common Shares to Optionors

The Issuer has agreed to issue 100,000 Common Shares to Rich River on the Listing Date in respect of the Hi-Mars Property. See "General Development of the Business" above and "Plan of Distribution" below.

Reserved for Issuance

After the completion of the Offering, up to 11,520,000 Common Shares will be reserved for issuance as follows:

Description of Securities	Number of Common Shares Reserved for Issuance
Warrant Shares(1)	10,070,000
Common Shares issuable upon the exercise of the Options issued under the Stock Option Plan	600,000
Compensation Shares(2)	350,000
Common Shares issuable under the Property Option Agreement(3)	500,000
TOTAL	**11,520,000**

Notes:
(1) To be issued upon exercise of the Warrants.
(2) In the event the Over-Allotment Option is exercised in full, a further 52,500 Compensation Warrants will be issued to the Agent and a further 52,500 Compensation Shares will be reserved for issuance.

(3) Assuming the full exercise of the Option and not including the 100,000 Common Shares to be issued to the Optionors on the Listing Date in respect of the Hi-Mars Property.

See "Plan of Distribution" for further details of the Offering.

CONSOLIDATED CAPITALIZATION

The following table summarizes the changes in the Issuer's capitalization since incorporation and after giving effect to the Offering:

Description	Authorized Amount	Outstanding as December 31, 2017 (Audited)	Outstanding as at December 31, 2018 (Audited)	Outstanding as at September 30, 2019 (Unaudited)	Outstanding at the date of this Prospectus (Unaudited)	Outstanding after giving effect to this Offering (Unaudited)
Common Shares	Unlimited	1	12,070,001	12,070,001	12,070,001	15,670,001(1)
Warrants	Unlimited	Nil	10,070,000	10,070,000	10,070,000	10,420,000(2)(3)
Options	10% of the issued and outstanding	Nil	Nil	600,000	600,000	600,000
Long Term Debt	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Includes the 100,000 Common Shares to be issued to the Optionors in respect of the Hi-Mars Property, but does not include any Over-Allotment Shares issued upon any exercise of the Over-Allotment Option (up to 525,000 Over-Allotment Shares), the exercise of any of the Warrants outstanding (up to 10,070,000 additional Common Shares), the exercise of any Compensation Warrants (up to 402,500 Compensation Shares) or the exercise of any stock options granted under the Stock Option Plan (up to 600,000 additional Common Shares).

(2) As partial consideration for the sale of Common Shares pursuant to this Prospectus, the Issuer has agreed to grant the Agent Compensation Warrants entitling the Agent to purchase up to that amount of Common Shares as is equal to 10% of the number of Common Shares issued pursuant to this Offering, including any Common Shares sold under the Over-Allotment Option. The Compensation Warrants may be exercised at a price of $0.10 per Common Share for a period of 24 months from the Closing Day. This Prospectus qualifies the distribution of the Compensation Warrants to the Agent.

(3) Includes: (i) 10,070,000 Warrants and (ii) up to 350,000 Compensation Warrants, but does not include any Compensation Warrants issuable upon the exercise of the Over-Allotment Option (up to 52,500 Compensation Warrants).

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES

The Stock Option Plan was approved by the Issuer's directors on May 17, 2019. The purpose of the Stock Option Plan is to assist the Issuer in attracting, retaining and motivating directors, officers, employees and consultants (together "eligible persons") of the Issuer and of its affiliates and to closely align the personal interests of such eligible persons with the interests of the Issuer and its shareholders.

The Stock Option Plan provides that so long as the Issuer is a non-reporting issuer, the maximum number of Common Shares which may be issued pursuant to options granted under the Stock Option Plan shall be that number equal to 15% of the Issuer's then issued share capital on the date on which an option is granted.

From the date that the Issuer becomes a reporting issuer with its Common Shares listed on a stock exchange (in this section, the "Listing Date"), the Stock Option Plan provides that the aggregate number of Common Shares reserved for issuance will be 10% of the number of Common Shares of the Issuer issued and outstanding from time to time.

The Stock Option Plan will be administered by the Board of Directors, who will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such eligible persons of the Issuer and its affiliates, if any, as the Board may from time to time designate, including, but not limited to directors, senior officers, employees of the Issuer, consultants (as defined in National Instrument 45-106 - *Prospectus Exemptions*), employees of an external management company or corporation controlled by a consultant of the Issuer and its subsidiaries, or an eligible charitable organization. The exercise prices shall be determined by the Board, but shall, in no event, be less than the greater of the closing market price of the Issuer's shares on the Exchange on (i) the trading day prior to the date of the grant of the options and (ii) the date of grant of such options. The Stock Option Plan provides that after the Listing Date, the number of Common Shares issuable on the exercise of options granted to all persons together with all of the Issuer's other previously granted options may not exceed 10% of the Issuer's issued and outstanding Common Shares on a non-diluted basis, from time to time. In addition, the number of Common Shares, which may be reserved for issuance within a one-year period: (i) to any one individual upon the exercise of all stock options held by such individual, may not exceed 5% of the Common Shares issued and outstanding on the grant date, on a non-diluted basis, unless otherwise approved by disinterested shareholders of the Issuer, (ii) to any one consultant may not exceed 2% in the aggregate of the total number of Common Shares issued and outstanding on the grant date on a non-diluted basis, or (iii) to all persons who undertake Investor Relations Activities (as defined in the CSE policies) may not exceed 1% in the aggregate of the total number of issued and outstanding Common Shares on the grant date on a non-diluted basis . Subject to earlier termination in the event of dismissal for cause, early retirement, voluntary resignation or termination other than for cause, or in the event of death or disability, all options granted under the Stock Option Plan will expire on the date set by the Board as the expiry date of the option, which expiry date shall not be more than 10 years from the date that such options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession. Options are exercisable by an eligible person under the Stock Option Plan delivering to the Issuer a notice specifying the number of Common Shares in respect of which the option is exercised together with payment in full of the option price.

The following table sets out information about the stock options issued and outstanding pursuant to the Stock Option Plan as of the date hereof:

Name of Optionee	Designation of Securities under Option	Number of Common Shares under Option	Exercise price per Common Share	Expiry Date
All executive officers and past executive officers as a group(1)	Common Shares	400,000(1)	$0.10	May 17, 2024
All directors and past directors who are not also executive officers as a group(2)	Common Shares	200,000(2)	$0.10	May 17, 2024

Notes:
(1) Including 200,000 stock options issued to Matthew Coltura and 200,000 stock options issued to Mark Lotz.
(2) Including 100,000 stock options issued to John E. Hiner and 100,000 stock options issued to Duster Capital Corp., a company beneficially owned and controlled by Dusan Berka.

Warrants

The following table sets out information about Warrants outstanding as of the date hereof:

Name of Warrant-holder	Designation of Underlying Securities	Number of Warrants	Exercise price per Common Share	Expiry Date
Third Party Investors(1)	Common Shares	9,000,000(2)	$0.05	August 31, 2023
Third Party Investors	Common Shares	1,070,000(3)	$0.05	September 21, 2023

Notes:
(1) Includes 750,000 Warrants issued to Joanne Stygall Lotz, spouse of Mr. Lotz, the Chief Financial Officer, Corporate Secretary and director of the Issuer.
(1) Issued on August 31, 2018.
(2) Issued on September 21, 2018.

Compensation Warrants

The Issuer will issue to the Agent, Compensation Warrants for the purchase of up to that number of Compensation Shares as is equal to 10% of the aggregate number of Common Shares of the Issuer issued pursuant to the Offering, including any Common Shares sold under the Over-Allotment Option, exercisable at a price of $0.10 per Common Share for a period of 24 months from the Closing Date.

PRIOR SALES

The following table summarizes the issuance of Common Shares, or securities convertible into Common Shares of the Issuer for the 12-month period prior to the date of this Prospectus:

Issue Date	Type of Security	Number of Securities	Exercise Price ($)	Expiry Date
May 17, 2019	Stock Options	600,000	$0.10	May 17, 2024

Note:
(1) Issued under the Stock Option Plan. See "Options and Other Rights to Purchase Securities" above.

ESCROWED SECURITIES

Under the applicable policies and notices of the Canadian Securities Administrators, securities held by Principals (as defined in NP 46-201 are required to be held in escrow in accordance with the escrow regime applicable to initial public distributions. Equity securities, including Common Shares and Warrants, owned or controlled by the Principals of the Issuer are subject to the escrow requirements set out in NP 46-201.

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

(a) directors and senior officers of the Issuer, as listed in this Prospectus;

(b) promoters of the Issuer during the two years preceding this Offering;

(c) those who own and/or control more than 10% of the Issuer's voting securities immediately after completion of this Offering if they also have appointed or have the right to appoint a director or senior officer of the Issuer or of a material operating subsidiary of the Issuer;

(d) those who own and/or control more than 20% of the Issuer's voting securities immediately after completion of this Offering;

(e) associates and affiliates of any of the above;

(f) a spouse and relatives that live at the same address as the Principal will also be treated as principals.

The Principals of the Issuer are Matthew Coltura, Mark Lotz, John E. Hiner, Dušan Berka, Joanne Stygall Lotz, Robert Coltura and Betty Coltura.

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

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

(a) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Issuer or of a material operating subsidiary, with approval of the Board of Directors;

(b) transfers to a person or company that before the proposed transfer holds more than 20% of the voting rights attached to the Issuer's outstanding securities;

(c) transfers to a person or company that after the proposed transfer will (i) hold more than 10% of the voting rights attached to the Issuer's outstanding securities; and (ii) has the right to elect or appoint one or more directors or senior officers of the Issuer or any of its material operating subsidiaries;

(d) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children or parents;

(e) transfers upon bankruptcy to the trustee in bankruptcy;

(f) pledges to a financial institution as collateral for a loan, provided that upon a realization the securities remain subject to escrow; or

(g) tenders of Escrowed Securities to a take-over bid are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

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

Name	**No. of Escrowed Common Shares[(1)(2)]**	**No. of Escrowed Warrants[(1)]**	**Percentage of Common Shares (After Giving Effect to the Offering)[(3)]**
Dušan Berka	1,000,000 owned beneficially and of record	Nil	6.38%
Joanne Stygall Lotz[(4)]	750,000 owned beneficially and of record	750,000 owned beneficially and of record	4.79%
Robert Coltura[(5)]	500,000 owned beneficially and of record	500,000 owned beneficially and of record	3.19%
Betty Coltura[(6)]	500,000 owned beneficially and of record	500,000 owned beneficially and of record	3.19%
Stephen Van Deventer[(7)]	1,375,000 owned beneficially and of record	1,375,000 owned beneficially and of record	8.77%
Kimberly Van Deventer[(8)]	1,125,000 owned beneficially and of record	1,125,000 owned beneficially and of record	7.18%
Jonathan Lotz[(9)]	2,000,001 owned beneficially and of record	1,000,000 owned beneficially and of record	12.76%
TOTAL:	**7,250,001**	**5,250,000**	**46.26%**

Notes:

(1) These securities have been deposited in escrow with the Escrow Agent.

(2) Pursuant to the Escrow Agreement, the securityholders agreed to deposit in escrow their securities (the "Escrowed Securities") with the Escrow Agent. The Escrow Agreement provides that 10% of the Escrowed Securities will be released from escrow upon the Listing Date and that, where there are no changes to the Escrowed Securities initially deposited and no additional Escrow Securities, the remaining Escrowed Securities will be released in equal tranches of 15% every 6-month interval thereafter, over a period of 36 months.

(3) Includes the 100,000 Common Shares to be issued to Rich River pursuant to the Property Option Agreement and is based upon an aggregate number of issued and outstanding Common Shares after completion of the Offering, totalling 15,670,001 Common Shares. Assumes that none of Mr. Berka, Ms. Lotz, Mr. Coltura and Ms. Coltura purchase any Common Shares under the Offering.

(4) Ms. Lotz is the spouse of the Chief Financial Officer, Corporate Secretary and director of the Issuer, Mr. Lotz.

(5) Mr. Coltura is a promoter of the Company.

(6) Ms. Coltura is the spouse of a promoter of the Company, Mr. Coltura.

(7) Mr. Van Deventer is not a Principal of the Issuer; however, he has voluntarily agreed to deposit the securities owned by him into escrow under the Escrow Agreement.
(8) Ms. Van Deventer is not a Principal of the Issuer; however, she has voluntarily agreed to deposit the securities owned by her into escrow under the Escrow Agreement. Ms. Van Deventer is the spouse of Mr. Van Deventer.
(9) Mr. Lotz is not a Principal of the Issuer; however, he has voluntarily agreed to deposit the securities owned by him into escrow under the Escrow Agreement.

PRINCIPAL SECURITYHOLDERS

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

	Prior to the Offering			After Giving Effect to the Offering		
Name	**Number of Common Shares Owned Directly or Indirectly**	**Percentage of Common Shares Held**	**Percentage of Common Shares Held on a Fully-Diluted Basis(1)**	**Number of Common Shares Beneficially Owned Directly or Indirectly(2)**	**Percentage of Common Shares Held(2)(3)(4)**	**Percentage of Common Shares Held on a Fully-Diluted Basis(2)(5)**
Stephen Van Deventer	1,375,000 owned beneficially and of record	11.39%	12.09%	1,375,000 owned beneficially and of record	8.77%	10.09%(6)
Jonathan Lotz	2,000,001 owned beneficially and of record	16.57%	13.19%	2,000,001 owned beneficially and of record	12.76%	11.00%(7)

Notes:
(1) On a fully-diluted basis, assuming the exercise of (i) all 600,000 stock options; and (ii) all 10,070,000 Warrants.
(2) Assumes that neither Mr. Van Deventer nor Mr. Lotz purchases any additional Common Shares under the Offering.
(3) Does not include exercise of Compensation Warrants or the Over-Allotment Option.
(4) Includes the 100,000 Common Shares to be issued to the Optionors.
(5) On a fully-diluted basis, assuming completion of the Offering, the issuance of the 100,000 Common Shares to the Optionors and the exercise of : (i) all 600,000 stock options; (ii) all 10,070,000 Warrants; (iii) all 402,500 potential Compensation Warrants (assuming the exercise of the Over-Allotment Option); and (iv) the 525,000 Over-Allotment Shares issued pursuant to the exercise of the Over-Allotment Option, being 27,267,501 Common Shares in total.
(6) Includes the exercise of 1,375,000 Warrants held by Mr. Van Deventer.
(7) Includes the exercise of 1,000,000 Warrants held by Mr. Lotz.

DIRECTORS AND OFFICERS

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

Name and Province of Residence and Position with the Issuer	Director/ Officer Since	Principal Occupation for the Past Five Years	Number and % of Common Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)
Matthew Coltura British Columbia, Canada *Chief Executive Officer, President and Director*	Director since March 19, 2019 President and Chief Executive Officer since July 18, 2019	Chief Financial Officer of Cayenne Capital Corp. since September 2016, former director of PreveCeutical Medical Inc. from July 2016 to September 2019, former director of Sproutly Canada, Inc. (formerly, Stoneridge Exploration Corp.) from March 2015 to July 2018, financial representative at Canadian Western Bank from May 2016 to March 2018 and a finance specialist at GDirect Finance Inc. from March 2018 to the present.	Nil
Mark Lotz(1)(2) British Columbia, Canada *Chief Financial Officer, Corporate Secretary and Director*	Director since December 4, 2017 Chief Financial Officer since December 4, 2017 Corporate Secretary since March 19, 2019	Accountant and director and officer of several companies in various industries, including mining.	Nil
John E. Hiner(1) Washington State, USA *Director*	Director since December 4, 2017	Licensed geologist and director of mineral exploration companies.	Nil
Dušan Berka(1) British Columbia, Canada *Director*	Director since May 22, 2018	Self-employed businessman for over 27 years.	1,000,000 8.29%

Note:
(1) Denotes a member of the audit committee of the Issuer (the "Audit Committee").
(2) Joanne Stygall Lotz, the spouse of Mr. Lotz, beneficially owns 750,000 Common Shares and 750,000 Warrants representing 6.21% of the issued and outstanding Common Shares as at the date of this Prospectus.

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

The Issuer has one committee, the Audit Committee, comprised of Dušan Berka (Chairman), Mark Lotz and John E. Hiner.

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

Matthew Coltura, *Chief Executive Officer, President and Director*

Mr. Coltura is Chief Executive Officer, President, director and a promoter of the Issuer and provides his services to the Issuer on a part-time basis. He has served as director of the Issuer since March 19, 2019 and has served as the Chief Executive Officer and President of the Issuer since July 18, 2019. He will devote approximately 25% of his time to the affairs of the Issuer. In his capacity as Chief Executive Officer and President, his responsibilities include managing the day-to-day operations of the Issuer, executing policies implemented by the Board of Directors and reporting back to the Board.

Mr. Coltura is a businessman and has a Bachelor of Business Administration degree from Okanagan College where he specialised in finance. He has worked in the finance industry for over three years with a primary role in writing credit for potential borrowers in the industrial lending market. Currently, Mr. Coltura is the CFO of Cayenne Capital Corp. Mr. Coltura was also a director of PreveCeutical Medical Inc. from July 2016 to September 2019, a director of Sproutly Canada Inc. (formerly, Stoneridge Exploration Corp.) from March 2015 to July 2018, and since March 2018 has worked as a financial specialist at GDirect Western Bank. He has several years of experience with reporting issuers.

Mr. Coltura is an independent contractor of the Issuer, has not entered into any non-competition or non-disclosure agreements with the Issuer and is 27 years of age.

Mark Lotz, *Chief Financial Officer, Corporate Secretary and Director*

Mr. Lotz is the Chief Financial Officer, Corporate Secretary and a director of the Issuer and provides his services to the Issuer on a part time basis. He has served the Issuer as director and Chief Financial Officer since December 4, 2017 and Corporate Secretary since March 2019. He will devote approximately 10% of his time to the affairs of the Issuer. In his capacity as Chief Financial Officer, Mr. Lotz reports to the President and Chief Executive Officer of the Issuer regarding strategic and tactical matters as they relate to budget management, cost-benefit analysis, forecasting needs and securing adequate funding.

Mr. Lotz is a businessman and provides management consulting and corporate finance services to public and private companies. He has several years of experience with reporting issuers, and currently serves as a director of Golden Raven Resources Ltd., Logan Resources Ltd., Teal Valley Health Inc. (formerly, Radiant Health Care Inc.), Vodis Pharmaceuticals Inc. ("Vodis"), PreveCeutical Medical Inc. and Ascent Industries Corp. Mr. Lotz also currently serves as the Chief Financial Officer for Ascent Industries Corp., Handa Mining Corporation, Candente Copper Corp., Candente Gold Corp., Specialty Liquid Transportation Corp. ("Specialty Liquid"), Fiorentina Minerals Inc. and Volatus Capital Corp.

Mr. Lotz is an independent contractor of the Issuer, has not entered into any non-competition or non-disclosure agreements with the Issuer and is 55 years of age.

John E. Hiner, *Director*

Mr. Hiner is a director of the Issuer and provides his services to the Issuer on a part-time basis. He has served as a director of the Issuer since December 4, 2017, and will devote approximately 10% of his time to the affairs of the Issuer. As a director, he is responsible for directing and overseeing management of the Issuer.

Mr. Hiner is a licensed geologist in the State of Washington and SME registered member and he has an exploration history of over 45 years with several major mining companies exploring for geothermal energy, precious metals and industrial minerals. He has served as a director and/or officer of mineral exploration and mining development companies, and works as an independent consulting geologist for mining companies. Previously, Mr. Hiner was an officer of Geocom Resources Inc. and a director of Red Pine Petroleum Ltd. Mr. Hiner is currently a director of Golden Lake Exploration Inc. and Fiorentina Minerals Inc.

Mr. Hiner is not an independent contractor or employee of the Issuer, has not entered into a non-competition or non-disclosure agreement with the Issuer and is 71 years of age.

Dušan Berka, *Director*

Mr. Berka is a director of the Issuer and provides his services to the Issuer on a part-time basis. He has served as a director of the Issuer since May 22, 2018, and will devote approximately 10% of his time to the affairs of the Issuer. As a director, he is responsible for directing and overseeing management of the Issuer.

Mr. Berka has extensive experience in the management, marketing, promotion and administration of public companies as well as in corporate communication, shareholders information, public relations and contract negotiation. Mr. Berka has served as a director and/or officer of various public companies traded on the TSX and TSX Venture Exchanges, the CSE and the NASDAQ System in the USA. Currently, Mr. Berka serves as a director of 92 Resources Corp., Dimension Five Technologies Inc., Eloro Resources Inc., Golden Lake Exploration Inc., King's Bay Gold Corp., Aguila American Gold Ltd., Megastar Development Corp. and Prospera Energy Corp. Mr. Berka holds a degree in engineering with a M.Sc. (Dipl. Ing.) degree from the Slovak Technical University, Bratislava, Slovakia (1968). Mr. Berka is currently a Life Member (non-practicing) of the Association of Professional Engineers and Geoscientists of B.C., having been a member of the association since 1977.

Mr. Berka is not an independent contractor or employee of the Issuer, has not entered into any non-competition or non-disclosure agreements with the Issuer and is 73 years of age.

Corporate Cease Trade Orders or Bankruptcies

To the Issuer's knowledge:

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

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

On November 6, 2009, at a time when John E. Hiner was a director and/or officer of Geocom Resources Inc. ("Geocom"), a cease trade order was issued to Geocom by the British Columbia Securities Commission, for its failure to file comparative financial statements, a management's discussion and analysis and annual information form for its year ended June 30, 2009. Subsequently, on March 13, 2013, the Securities and Exchange Commission in the United States of America issued an order revoking the registration of Geocom's securities for its failure to file periodic reports. While Geocom is currently listed as a cease traded issuer pursuant to the British Columbia Securities Commission's Cease Traded Issuers List, Geocom's business licence expired on June 30, 2014 in its jurisdiction of organization, Nevada, USA.

On November 26, 2018, at a time when Matthew Coltura was a director of PreveCeutical Medical Inc. ("PreveCeutical"), the Executive Director of the British Columbia Securities Commission issued a temporary order (the "Order") against PreveCeutical and certain other individuals and entities, whereby PreveCeutical was temporarily prohibited from issuing securities to consultants pursuant to the prospectus exemption under Section 2.24 of National Instrument 45-106 - *Prospectus Exemptions.* The Order against PreveCeutical expired on January 15, 2019.

On May 1, 2019, the British Columbia Securities Commission issued a management cease trade order against Mark Lotz in his capacity as Chief Financial Officer of Specialty Liquid, for the Specialty Liquid's failure to file annual audited financial statements and management's discussion and analysis for the year ended December 31, 2018 (collectively, the "2018 Financial Statements") within the prescribed time period. On August 6, 2019, at a time when Mr. Lotz was the Chief Financial Officer of Specialty Liquid, a cease trade order was issued to Specialty Liquid by the British Columbia Securities Commission, for its failure to file the 2018 Financial Statements, interim financial report for the period ended March 31, 2019, management's discussion and analysis for the period ended March 31, 2019 and certification of annual and interim filings for the periods ended December 31, 2018 and March 31, 2019. The management cease trade order against Mr. Lotz and the cease trade order against Specialty Liquid is currently outstanding as a result of the inability of Specialty Liquid to attain pertinent information from Specialty Liquid's Korean and Argentinian subsidiaries. Mr. Lotz continues to make efforts to resolve the matter.

On July 30, 2019, at Mr. Lotz's request, the British Columbia Securities Commission issued a management cease trade order against Mr. Lotz in his capacity as Chief Financial Officer and director of Vodis, for Vodis' failure to file annual audited financial statements and management's discussion and analysis for the year ended March 31, 2019 within the prescribed time period. Vodis was unable to file such financial statements within the prescribe period of time as a result of delays in completion of Vodis' audit. The cease trade order against Vodis was revoked on October 2, 2019.

To the Issuer's knowledge, no existing or proposed director, executive officer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer is as of the date hereof, or within the ten years prior to the date hereof has been, a director or executive officer of any other company that, while that person was acting in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

To the Issuer's knowledge, no director or executive officer of the Issuer, or any shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or 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

To the Issuer's knowledge, no existing or proposed director, executive officer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the issuer is as of the date hereof, or within the ten years prior to the date hereof, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Conflicts of Interest

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

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

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

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

(a) each individual who, in respect of the Issuer, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;

(b) each individual who, in respect of the Issuer, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;

(c) in respect of the Issuer and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with Section 1.3(5) of Form 51-102F6V under National Instrument 51-102 – *Continuous Disclosure Obligations*, for that financial year; and

(d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Issuer, nor acting in a similar capacity, as at the end of the most recently completed financial year,

(each, a "Named Executive Officer").

During the year ended December 31, 2018, the Issuer had two individuals who were Named Executive Officers, namely (i) Robert Coltura, who was appointed the Chief Executive Officer and President of the Issuer on December 4, 2017 and resigned as Chief Executive Officer and President on May 22, 2018 and (ii) Mark Lotz, who was appointed Chief Financial Officer of the Issuer on December 4, 2017.

Compensation Discussion and Analysis

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

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

The Issuer's Named Executive Officer compensation during the most recently completed financial period ended December 31, 2018 was determined and administered by the Board of Directors. The Board of Directors was solely responsible for assessing the compensation to be paid to the Issuer's Named Executive Officers and for evaluating their performance.

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

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

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

Summary Compensation Table

The following table sets forth the value of the compensation, excluding compensation securities, of the Issuer's directors and Named Executive Officers, for the period ended December 31, 2018 and for the period from incorporation to December 31, 2017:

Name and principal position	Year	Salary	Share-based awards	Option-based awards	Non-equity incentive plan compensation: Annual incentive plans	Non-equity incentive plan compensation: Long-term incentive plans	Pension value	All other compensation	Total compensation
Robert Coltura *Chief Executive Officer, President and Director*(1)	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil	$36,000(3)	$36,000(3)
Mark Lotz *Chief Financial Officer, Corporate Secretary and Director*(2)	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Jonathan Lotz *Former Chief Executive Officer, President and Director*(4)	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:
(1) Robert Coltura was appointed Chief Executive Officer, President and director on December 4, 2017 and resigned as Chief Executive Officer, President and director on May 22, 2018.
(2) Mark Lotz was appointed Chief Financial Officer and director on December 4, 2017 and Corporate Secretary on March 19, 2019.
(3) Paid to Matalia Investments Ltd., a private company controlled by Robert Coltura, for management and administrative services.
(4) Jonathan Lotz was appointed Chief Executive Officer, President and director on August 22, 2017 and resigned as Chief Executive Officer, President and director on December 4, 2017.

Director Compensation Table

The table below sets out the compensation of directors that are not also Named Executive Officers of the Issuer.

Name	Year	Fees earned	Share-based awards	Option-based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total
John E. Hiner *Director*(1)	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dušan Berka *Director*(2)	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:
(1) John E. Hiner was appointed a director on December 4, 2017.
(2) Dušan Berka was appointed a director on May 22, 2018.

External Management Companies

Of the Issuer's Named Executive Officers, neither Robert Coltura or Mark Lotz were or are employees of the Issuer.

As of the date of this Prospectus, the Issuer has not executed any employment or consulting agreements with any of its directors or Named Executive Officers. Matalia Investments Ltd., a private company controlled by Robert Coltura, is expected to provide management and administrative services to the Issuer for a fee of $3,000 per month.

Stock Options and Other Compensation Securities

Stock options are granted to provide an incentive to the directors, officers, employees and consultants of the Issuer to achieve the longer-term objectives of the Issuer; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Issuer; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Issuer. See "Options and Other Rights to Purchase Securities" above for a description of the material terms of the Issuer's Stock Option Plan.

There were no stock options or other compensation securities granted or issued during the most recent financial year, however, as at the date of this Prospectus, there are 600,000 outstanding stock options granted to the Issuer's directors and Named Executive Officers. See "Options and Other Rights to Purchase Securities" above.

Proposed Compensation

During the next 12 months, the Issuer proposes to pay the following compensation to its Named Executive Officers and directors:

Name and Position	Salary	All Other Compensation	Total Compensation
Matthew Coltura *Chief Executive Officer, President and Director*	Nil	Nil	Nil
Mark Lotz *Chief Financial Officer, Corporate Secretary and Director*	Nil	Nil	Nil
John E. Hiner *Director*	Nil	Nil	Nil
Dušan Berka *Director*	Nil	Nil	Nil

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness for travel and other expense advances, no existing or proposed director, executive officer or senior officer of the Issuer or any associate of any of them, was indebted to the Issuer as at December 31, 2018, or is currently indebted to the Issuer at the date of this Prospectus.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

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

Audit Committee Charter

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

Composition of Audit Committee

The members of the Audit Committee are set out below:

Dušan Berka (Chairman)	Independent(1)	Financially literate(2)
Mark Lotz	Not Independent	Financially literate(2)
John E. Hiner	Not Independent	Financially literate(2)

Notes:
(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Issuer, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.
(2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Issuer's financial statements.

Relevant Education and Experience

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

(a) an understanding of the accounting principles used by the Issuer to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

(b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;

(c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Issuer's financial statements or experience actively supervising individuals engaged in such activities; and

(d) an understanding of internal controls and procedures for financial reporting.

Dušan Berka: Mr. Berka is a professional engineer (Life Member) with experience as a director and officer of public companies, including as an audit committee member and is familiar with the financial reporting requirements applicable to public companies in Canada.

Mark Lotz: Mr. Lotz is a Chartered Professional Accountant practicing publicly through his firm Lotz CPA Inc. He is a director and officer of several public companies, in addition to serving as a member of the audit committee of several reporting issuers, and is familiar with the financial reporting requirements applicable to public companies in Canada.

John E. Hiner: Mr. Hiner has several years of experience with mineral exploration and mining development companies and is familiar with the financial reporting requirements applicable to public companies in Canada.

See "Directors and Officers" above for further details.

Audit Committee Oversight

The Audit Committee was established on November 30, 2018, and will, among other things, make recommendations to the Board of Directors to nominate or compensate an external auditor. As of the date of this Prospectus, the Audit Committee has not made any such recommendations for the Board to consider.

Reliance on Certain Exemptions

At no time since the commencement of the Issuer's most recently completed financial period has the Issuer relied on the exemptions in Sections 2.4, 3.4, 3.5, 3.6 or Part 8 of NI 52-110, or an exemption from subsections 3.3(2) of NI 52-110. The Issuer is relying on the exemption in Section 3.2 of NI 52-110 with respect to the composition of the Audit

Committee and on Section 6.1 of NI 52-110 with respect to reporting obligations.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees

The following table sets out the aggregate fees billed by the Issuer's external auditors in each of the last two fiscal years of the category of fees described:

	December 31, 2017	**December 31, 2018**[(1)]
Audit Fees	Nil	$15,000
Audit Related Fees	Nil	Nil
Tax Fees	Nil	Nil
All Other Fees	Nil	Nil
TOTAL:	**Nil**	**$15,000**

Note:
(1) The audit fees for the year ended December 31, 2018 are estimates as the audit work was completed and billed in a subsequent year.

Exemption

As per Section 223 of the *Business Corporations Act* (British Columbia), the Issuer is not a public company or a financial institution and as such, was not required to establish an Audit Committee at the first annual meeting following incorporation.

Corporate Governance

General

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

Board of Directors

NP 58-201 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors within the meaning of NI 52-110.

The Board is currently comprised of four directors, of whom Dušan Berka is considered independent for the purposes of NI 52-110. Matthew Coltura and Mark Lotz are not independent as Mr. Coltura serves as Chief Executive Officer and President of the Issuer and Mr. Lotz as Chief Financial Officer and Corporate Secretary. John E. Hiner is not considered independent as Mr. Hiner served as the President of the Issuer within the last three years. Because the Board is not comprised of a majority of independent directors, in order to facilitate its exercise of independent supervision over the Issuer's management, the Board carefully examines the issues before it, consults with outside counsel and other advisors as necessary and encourages the independent directors to regularly and independently confer amongst themselves.

Directorships

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

Name	Reporting Issuer (Exchange/Market: Trading Symbol)
Matthew Coltura	Lot 49 Capital Corp. (N/A)
Mark Lotz	Golden Raven Resources Ltd. (N/A) Logan Resources Ltd. (TSX.V: LGR) Teal Valley Health Inc. (formerly, Radiant Health Care Inc.) (N/A) Vodis Pharmaceuticals Inc. (CSE: VP) Fiorentina Minerals Inc. (CSE: FLO) Ascent Industries Corp. (CSE: ASNT) PreveCeutical Medical Inc. (CSE: PREV)
John E. Hiner	Golden Lake Exploration Inc. (CSE: GLM) Fiorentina Minerals Inc. (N/A)
Dušan Berka	92 Resources Corp. (TSX.V: NTY) Aguila American Gold Ltd. (TSX.V: AGL) Eloro Resources Ltd. (TSX.V: ELO) King's Bay Resources Corp. (TSX.V: KBG) Megastar Development Corp. (TSX.V: MDV) Dimension Five Technologies Inc. (CSE: DFT) Golden Lake Exploration Inc. (CSE: GLM) Prospera Energy Corp. (TSXV: PEI)

Board Mandate

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

Orientation and Continuing Education

When new directors are appointed they receive orientation, commensurate with their previous experience, on the Issuer's business, assets and industry and on the responsibilities of directors. Meetings of the Board are sometimes held at the Issuer's offices and, from time to time, are combined with presentations by the Issuer's management to give the directors additional insight into the Issuer's business. In addition, management of the Issuer makes itself available for discussion with all members of the Board.

Ethical Business Conduct

The Board of Directors has not adopted a formal code of business conduct and ethics. The Board has found that the fiduciary duties placed on individual directors by the Issuer's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Issuer.

Nomination of Directors

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

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

Compensation

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

Other Board Committees

The Board has no committee other than the Audit Committee.

Assessments

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

PLAN OF DISTRIBUTION

The Offering consists of 3,500,000 Common Shares at a price of $0.10 per Common Share, to raise gross proceeds of $350,000 (assuming the Over-Allotment Option is not exercised), and will be conducted through the Agent in the provinces of British Columbia and Alberta, subject to compliance with all legal requirements and the terms and conditions contained in the Agency Agreement. For a summary of the material attributes and characteristics of the Common Shares and certain rights attaching thereto, see "Description of Securities Distributed".

This Offering is subject to the completion of a minimum subscription of 3,500,000 Common Shares for gross proceeds to the Issuer of $350,000, which proceeds shall be held by the Agent pending the completion of the Offering. The Offering will remain open until the date that is 90 days after a receipt is issued for the final Prospectus, unless an amendment to the final Prospectus is filed and the principal regulator has issued a receipt for the amendment, in which case the Offering must cease within 90 days after the date of the receipt for the amendment to the final Prospectus. In any event, the Offering must cease at the latest 180 days from the date of the receipt for the final Prospectus. If the minimum subscription is not completed within the distribution period for the Offering, all subscription monies will be returned to Subscribers without interest or deduction.

Subscriptions for the Common Shares will be received and subject to rejection or allotment in whole or in part by the Issuer and the right is reserved to close the subscription books at any time. Upon rejection of a subscription, the subscription price and the subscription agreement will be returned to the Subscriber forthwith without interest or deduction.

The Issuer has granted to the Agent the Over-Allotment Option exercisable, in whole or in part, up to 48 hours prior to the Closing Day, to sell an additional (up to a maximum of) 525,000 Over-Allotment Shares at the Offering Price.

This Prospectus also qualifies the distribution of the 100,000 Common Shares issuable to the Optionors in respect of the Hi-Mars Property; such Common Shares will be issued in accordance with the schedule set out under the heading "General Development of the Business" above.

There is currently no market through which any of the securities of the Issuer, including the Common Shares sold under the Offering, 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 Agent

Pursuant to the Agency Agreement, the Issuer has engaged the Agent as its exclusive agent for the purposes of the

Offering. The Offering Price and terms of the Offering were established through arm's length negotiation between the Issuer and the Agent, in accordance with the policies of the Exchange. The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Common Shares offered pursuant to the Offering in the provinces of British Columbia and Alberta. This Prospectus qualifies the distribution of the Common Shares to Subscribers in those jurisdictions. The Agent may offer selling group participation in the normal course of the brokerage business to selling groups of other licensed dealers, brokers, and investment dealers who may or may not be offered part of the Agent's Commission or Compensation Warrants derived from this Offering.

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

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

In connection with the Offering, the Issuer has agreed to pay the Agent (A) a cash Agent's Commission equal to 10% of the aggregate Offering Price of the Common Shares sold under the Offering; and, if applicable, the Over-Allotment Option and (B) a cash Corporate Finance Fee of $25,000. The Issuer will also pay all reasonable costs and expenses of the Agent related to this Offering, including the Agent's legal fees and disbursements.

In addition, upon successful completion of the Offering, the Agent is entitled to receive, as part of its remuneration, Compensation Warrants entitling the holder thereof to purchase that number of Common Shares equal to 10% of the number of Common Shares issued pursuant to this Offering and if applicable, the Over-Allotment Option. The Compensation Warrants will be exercisable at a price of $0.10 per Common Share for a period of 24 months from the Listing Date.

The Issuer has agreed not to sell, grant or 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, which consent shall not be unreasonably withheld by the Agent, except in conjunction with: (i) the grant or exercise of Options and other similar issuances pursuant to the Stock Option Plan and other similar incentive plans; (ii) the exercise of any outstanding Warrants or Compensation Warrants; (iii) obligations in respect of existing mineral property agreements, including the Property Option Agreement; and (iv) the issuance of securities in connection with property or share acquisitions in the normal course of business. Further, the Issuer will grant the Agent a right of first refusal to provide any brokered equity financing that the Issuer proposes to conduct for a period ending one year from the Closing Day.

Pursuant to NI 41-101 the aggregate number of securities which may be distributed under a prospectus to an Agent as compensation must not exceed 10% of the Common Shares offered pursuant to this Prospectus, which in the case of this Offering (and assuming the exercise of the Over-Allotment Option in full) is 402,500 securities. For the purposes of this Offering, up to an aggregate of 402,500 Compensation Warrants are Qualified Compensation Securities and are qualified for distribution by this Prospectus.

Listing of Common Shares on the Exchange

The Issuer has applied to list its Common Shares on the CSE and has received conditional approval for the Listing. Listing of the Common Shares on the CSE is subject to the Issuer fulfilling all of the requirements of the CSE. Confirmation of the Listing of the Common Shares on the Exchange as of the Closing Day is a condition of Closing.

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

RISK FACTORS

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

Insufficient Capital

The Issuer does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Issuer will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Issuer will be successful in obtaining such additional financing; failure to do so could result in the loss or substantial dilution of the Issuer's interest in the Hi-Mars Property.

Financing Risks

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

Limited Operating History and Negative Operating Cash Flow

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

To the extent that the Issuer has a negative operating cash flow in future periods, the Issuer may need to allocate a portion of its cash reserves to fund such negative operating cash flow. The Issuer may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Issuer.

Investors May Lose their Entire Investment

An investment in the Common Shares offered pursuant to the Offering is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Issuer.

Resale of the Issuer's Securities

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

Price Volatility of Publicly Traded Securities

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

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

Dilution from Equity Financing could Negatively Impact Holders of Common Shares Offered Pursuant to this Prospectus

The Issuer may from time to time raise funds through the issuance of Common Shares or the issuance of debt instruments or other securities convertible into Common Shares. The Issuer cannot predict the size or price of future issuances of Common Shares or the size or terms of future issuances of debt instruments or other securities convertible into Common Shares, or the effect, if any, that future issuances and sales of the Issuer's securities will have on the market price of the Common Shares. Sales or issuances of substantial numbers of Common Shares, or the perception that such sales or issuances could occur, may adversely affect prevailing market prices of the Common Shares. With any additional sale or issuance of Common Shares, or securities convertible into Common Shares, investors will suffer dilution to their voting power and the Issuer may experience dilution in its earnings per share.

Property Interests

The Issuer does not own the mineral rights pertaining to the Hi-Mars Property. Rather, it holds an option to acquire a 100% interest. The Issuer currently beneficially owns 51% of the Hi-Mars Property and retains an option to acquire the remaining 49% of the Hi-Mars Property pursuant to the Property Option Agreement. There is no guarantee the Issuer will be able to raise sufficient funding in the future to explore and develop the Hi-Mars Property so as to maintain its interests therein. If the Issuer loses or abandons its interest in the Hi-Mars Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Issuer, whether by way of option or otherwise, should the Issuer wish to acquire any additional properties.

In the event that the Issuer acquires a 100% interest in the Hi-Mars Property, there is no guarantee that title to the Hi-Mars Property will not be challenged or impugned. The Issuer's mineral property interests may be subject to prior unregistered agreements or transfers or aboriginal or indigenous land claims or title may be affected by undetected defects. Surveys have not been carried out on any of the Issuer's mineral properties, therefore, in accordance with the laws of the jurisdiction in which such properties are situated; their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Issuer can give no assurance as to the validity of title of the Issuer to those lands or the size of such mineral lands.

Assurance of Right and Title

Ownership in mineral property interests involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the frequently ambiguous conveyance history characteristics of many mineral properties.

The Issuer has taken steps to attempt to ensure that proper title to the Hi-Mars Property has been obtained. Despite the due diligence conducted by the Issuer, there is no guarantee that the Issuer's title or right to conduct exploration and development work on the Hi-Mars Property will not be challenged or impugned. The Issuer'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.

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

First Nations Land Claims

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

There is a risk that the Tsilhqot'in Decision may lead other communities or groups to pursue similar claims in areas where the Hi-Mars Property is located. Although the Issuer relies on the Crown to adequately discharge its obligations in order to preserve the validity of its actions in dealing with public rights, the Issuer cannot accurately predict whether aboriginal claims will have a material adverse effect on the Issuer's ability to carry out its intended exploration and work programs on the Property.

Exploration and Development

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

The Issuer's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Issuer.

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

In the event the Issuer 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.

Uninsurable Risks

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

Permits and Government Regulations

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

Environmental Laws and Regulations

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

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

No Commercial Ore

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

Competition

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

Management and Directors

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

The Issuer has made certain forward-looking statements in this Prospectus regarding the future plans and intentions of the Issuer. Investors are cautioned that while the Issuer presently believes such statements to be accurate, the current Board of Directors and management of the Issuer do not have the power to irrevocably bind future Boards of Directors, management or shareholders of the Issuer and, accordingly, cannot guarantee that such plans and intentions will be fulfilled by the Issuer, if any.

Fluctuating Mineral Prices

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

Litigation

The Issuer may from time to time be involved in various claims, legal proceedings and disputes arising from disputes in relation to its mineral properties, including the Hi-Mars Property, and in the ordinary course of business. If such disputes arise and the Issuer is unable to resolve these disputes favourably, it may have a material and adverse effect on the Issuer's profitability or results of operations and financial condition.

Conflicts of Interest

Certain of the directors of the Issuer serve as directors of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Issuer may participate, the directors of the Issuer may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the board of directors of the Issuer, a director who has such a conflict will abstain from voting for or against the approval of such a participation or such terms. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of the Province of British Columbia, the directors of the Issuer are required to act honestly, in good faith and in the best interests of the Issuer. In determining whether or not the Issuer will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Issuer may be exposed and its financial position at that time. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Business Corporations Act* (British Columbia).

Dividends

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

Tax Issues

Income tax consequences in relation to the Common Shares will vary according to the circumstances by each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisors prior to subscribing for Common Shares.

The Issuer issued flow-through shares on August 31, 2018 pursuant to flow-through subscription agreements with subscribers. Although the Issuer believes it has incurred or intends to incur expenditures as contemplated by those flow-through subscription agreements, there is a risk that expenditures incurred by the Issuer may not qualify as "Canadian exploration expenditures" ("CEE") or "Canadian development expense" ("CDE"), as such terms are defined in the Tax Act, or that any such resource expenses incurred will be reduced by other events including failure to comply with the provisions of the flow-through subscription agreements or of applicable income tax legislation. If the Issuer does not renounce to such subscribers CEE or CDE within the prescribed time period, or if there is a reduction in such amount renounced pursuant to the provisions of the Tax Act, the Issuer may need to indemnify such subscribers, on the terms included in the flow-through subscription agreements, for an amount equal to the amount of any tax payable or that may become payable under the Tax Act.

PROMOTERS

Matthew Coltura is considered to be a promoter of the Issuer in that he took the initiative in organizing the business of the Issuer. Mr. Coltura also holds, directly or indirectly, 200,000 stock options, see "Stock Options and Other Compensation Securities" and "Options and Other Rights to Purchase Securities" above for further details.

Robert Coltura is considered to be a promoter of the Issuer in that he took the initiative in organizing the business of the Issuer. Mr. Coltura also holds, directly or indirectly, 500,000 Common Shares and 500,000 Warrants.

LEGAL PROCEEDINGS

Neither the Issuer nor the Hi-Mars Property is or has been the subject of any legal proceedings, penalties or sanctions imposed by a court or regulatory authority, or settlement agreements before a court or regulatory, and no such legal proceedings, penalties or sanctions are known by the Issuer to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Matalia Investments Ltd., a private company controlled by Robert Coltura, is expected to provide management and administrative services to the Issuer for a fee of $3,000 per month following the Closing. Any fees paid to Matalia Investments Ltd. will be paid on a month-to-month basis.

Except as set out above, the directors, senior officers and principal shareholders of the Issuer, a person or company that beneficially owns or controls or directs, directly or indirectly more than 10% of the Common Shares of the Issuer, or any associate or affiliate of the foregoing have had no material interest, direct or indirect, in any transactions in which the Issuer has participated within the three year period prior to the date of this Prospectus, or will have any material interest in any proposed transaction, which has materially affected or will materially affect the Issuer.

Pursuant to the Property Option Agreement, the Issuer acquired beneficial ownership of 51% interest of the Hi-Mars Property through the payment of $5,000 to the Optionors upon the execution and delivery of the Property Option Agreement by the Issuer and the Optionors, and has the ability to acquire the remaining 49% interest in the Property through cash payments and securities issuances to the Optionors and by making certain exploration expenditures. See "General Development of the Business" above.

RELATIONSHIP BETWEEN THE ISSUER AND AGENT

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

AUDITORS

The auditor of the Issuer is Manning Elliott LLP, Chartered Professional Accountants, of Suite 1700, 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3.

REGISTRAR AND TRANSFER AGENT

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

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Issuer since the incorporation of the Issuer to the date of this Prospectus that are still in effect:

1. Administrative Services Agreement between the Issuer and Matalia Investments Ltd., dated May 15, 2018.

2. Property Option Agreement made among the Issuer, Rich River and Lynes, dated October 30, 2017, referred to under "General Development of the Business".

3. Stock Option Plan approved by the Board of Directors on May 17, 2019 referred to under "Options and Other

Rights to Purchase Securities".

4. Stock Option Agreements approved by the directors on May 17, 2019 between the Issuer and the directors and officers of the Issuer referred to under "Options and Other Rights to Purchase Securities".

5. Escrow Agreement, as amended, among the Issuer, TSX Trust Company and Principals of the Issuer made as of January 7, 2019 referred to under "Escrowed Shares".

6. Agency Agreement between the Issuer and the Agent, dated for reference January 22, 2020 referred to under "Plan of Distribution".

A copy of any material contract and the Technical Report may be inspected during the Offering of the Common Shares being offered under this Prospectus and for a period of 30 days thereafter during normal business hours at the Issuer's offices at Suite 200, 551 Howe Street, Vancouver, British Columbia. As well, the Technical Report is available for viewing on SEDAR located at: www.sedar.com.

EXPERTS

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

Certain legal matters related to this Offering will be passed upon on behalf of the Issuer by Lotz & Company and by Miller Thomson LLP on behalf of the Agent. Jonathan Lotz, the principal of Lotz & Company owns 2,000,001 Common Shares and 1,000,000 Warrants, which represent 16.57% of the Issuer's issued and outstanding Common Shares as at the date of this Prospectus (22.95% on a partially diluted basis).

Legal matters referred to under "Eligibility for Investment" will be passed upon by Thorsteinssons LLP on behalf of the Issuer.

Donald George MacIntyre, Ph.D., P. Eng., the Author of the Technical Report on the Hi-Mars Property, is independent from the Issuer within the meaning of NI 43-101.

Manning Elliott LLP, Chartered Professional Accountants is the auditor of the Issuer. Manning Elliott has informed the Issuer that it is independent of the Issuer within the meaning of the rules of professional conduct of the Institute of Chartered Professional Accountants of British Columbia (ICABC).

OTHER MATERIAL FACTS

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

PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

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

FINANCIAL STATEMENTS

Attached as Schedule "B" and forming part of this Prospectus are the audited financial statements of the Issuer for the year ended December 31, 2018 and for the period from incorporation on August 22, 2017 to December 31, 2017 and the unaudited interim financial statements of the Issuer for the period ended September 30, 2019.

SCHEDULE "A"

Audit Committee Charter

See attached.

STRAIGHTUP RESOURCES INC.

AUDIT COMMITTEE CHARTER

1. Mandate and Purpose of the Committee

The Audit Committee (the "Committee") of the board of directors (the "Board") of Straightup Resources Inc. (the "Company") is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

(a) the integrity of the Company's financial statements;

(b) the Company's compliance with legal and regulatory requirements, as they relate to the Company's financial statements;

(c) the qualifications, independence and performance of the Company's auditor;

(d) internal controls and disclosure controls;

(e) the performance of the Company's internal audit function;

(f) consideration and approval of certain related party transactions; and

(g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2. Authority

The Committee has the authority to:

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

(b) communicate directly with the Company's auditor.

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

3. Composition and Expertise

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

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they resign or are removed by the Board or cease to be directors of the Company.

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

4. Meetings

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

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

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

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

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

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

5. Committee and Charter Review

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

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

6. Reporting to the Board

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

7. Duties and Responsibilities

(a) Financial Reporting

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

The Committee is also responsible for:

(i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;

(ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;

(iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;

(iv) discussing with management any significant variances between comparative reporting periods; and

(v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) Auditor

The Committee is responsible for recommending to the Board:

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

(ii) the compensation of the Company's auditor.

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

(c) **Relationship with the Auditor**

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

(i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;

(ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;

(iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and

(iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) **Accounting Policies**

The Committee is responsible for:

(i) reviewing the Company's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;

(ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;

(iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;

(iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and

(v) discussing with management and the auditor the clarity and completeness of the Company's financial disclosures.

(e) **Risk and Uncertainty**

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

(i) uncertainty notes and disclosures; and

(ii) MD&A disclosures.

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

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

(f) **Controls and Control Deviations**

The Committee is responsible for reviewing:

(i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and

(ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

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

(g) **Compliance with Laws and Regulations**

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

(i) tax and financial reporting laws and regulations;

(ii) legal withholdings requirements;

(iii) environmental protection laws; and

(iv) other matters for which directors face liability exposure.

(h) **Related Party Transactions**

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

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

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

8. Non-Audit Services

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

9. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

(a) the receipt, retention and treatment of complaints received by the 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.

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

10. Procedure For Reporting Of Fraud Or Control Weaknesses

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

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

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

11. Hiring Policies

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

SCHEDULE "B"

Audited Financial Statements for the Year Ended December 31, 2018 and for the Period from Incorporation on August 22, 2017 to December 31, 2017 and the Unaudited Interim Financial Statements of the Issuer for the period ended September 30, 2019

See attached.

STRAIGHTUP RESOURCES INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

AND

FOR THE PERIOD FROM INCORPORATION ON

AUGUST 22, 2017 TO DECEMBER 31, 2017

manning elliott

17th floor, 1030 West Georgia St., Vancouver, BC, Canada V6E 2Y3

Tel: 604. 714. 3600 **Fax:** 604. 714. 3669 **Web:** manningelliott.com

INDEPENDENT AUDITORS' REPORT

To the Directors of
Straightup Resources Inc.

Opinion on the financial statements

We have audited the accompanying financial statements of Straightup Resources Inc. which comprise the statements of financial position as at December 31, 2018 and 2017, and the statements of comprehensive loss, changes in equity and cash flows for the year ended December 31, 2018 and for the period from incorporation on August 22, 2017 to December 31, 2017, and the related notes, including a summary of significant accounting policies and other explanatory information (collectively referred to as the "financial statements").

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018 and 2017, and its financial performance and its cash flows for the periods then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying financial statements, which indicates that the Company incurred a net loss of $91,422• for the year ended December 31, 2018 and, as of that date, the Company had accumulated deficit of $93,051. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information, which comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and do not and will not express any form of assurance conclusion thereon. In connection with our audits of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indicators that the other information appears to be materially misstated.

We obtained the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the financial statements

Our responsibility is to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these financial statements.
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Fernando J. Costa.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
January 22, 2020

STRAIGHTUP RESOURCES INC.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note	December 31, 2018	December 31, 2017
		$	$
ASSETS			
CURRENT			
Cash		49,249	1
Amounts receivable		912	57
Prepaid expenses		3,938	-
		54,099	58
EXPLORATION AND EVALUATION ASSET	5	123,239	110,684
		177,338	110,742
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities		1,888	112,370
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	6	243,501	1
SHARE SUBSCRIPTIONS	6	(5,000)	-
CONTRIBUTED SURPLUS	6,7	30,000	-
DEFICIT		(93,051)	(1,629)
		175,450	(1,628)
		177,338	110,742

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

Approved and authorized for issue on behalf of the Board on January 22, 2020

"Matthew Coltura " Director *"Mark Lotz "* Director

The accompanying notes are an integral part of these financial statements

STRAIGHTUP RESOURCES INC.
STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Note	Year ended December 31, 2018	Period ended December 31, 2017
		$	$
EXPENSES			
Consulting fees		36,000	-
Office and administrative		11,983	369
Professional fees		653	1,260
Rent		9,000	-
Share-based payments	6,7	30,000	-
Telephone and utilities		3,786	-
NET LOSS AND COMPREHENSIVE LOSS		(91,422)	(1,629)
LOSS PER SHARE – Basic and diluted		$ (0.02)	$ (1,629)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		4,044,220	1

The accompanying notes are an integral part of these financial statements

STRAIGHTUP RESOURCES INC.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	Common Shares					
	Number of Shares	Amount	Share subscriptions	Contributed Surplus	Deficit	Total
		$	$	$	$	$
Incorporation, August 22, 2017	1	1	-	-	-	1
Net loss for the period	-	-	-	-	(1,629)	(1,629)
Balance, December 31, 2017	1	1	-	-	(1,629)	(1,628)
Shares issued to founders	2,000,000	10,000	(5,000)	-	-	5,000
Shares issued for cash	4,820,000	128,500	-	-	-	128,500
Shares issued for cash (flow-through)	5,250,000	105,000	-	-	-	105,000
Share-based payments	-	-	-	30,000	-	30,000
Net loss for the year	-	-	-	-	(91,422)	(91,422)
Balance, December 31, 2018	12,070,001	243,501	(5,000)	30,000	(93,051)	175,450

The accompanying notes are an integral part of these financial statements

STRAIGHTUP RESOURCES INC.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Year ended December 31, 2018	Period ended December 31, 2017
	$	$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	(91,422)	(1,629)
Item not involving cash:		
Share-based payments	30,000	-
Changes in non-cash working capital balances:		
Amounts receivable	(855)	(57)
Prepaid expenses	(3,938)	-
Accounts payable and accrued liabilities	202	1,686
Cash used in operating activities	(66,013)	-
INVESTING ACTIVITIES		
Exploration and evaluation asset	(123,239)	-
Cash used in investing activity	(123,239)	-
FINANCING ACTIVITIES		
Issuance of common shares	238,500	1
Cash provided by financing activity	238,500	1
CHANGE IN CASH	49,248	1
CASH, BEGINNING OF PERIOD	1	-
CASH, END OF PERIOD	49,249	1
SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

The accompanying notes are an integral part of these financial statements

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Straightup Resources Inc. ("the Company") was incorporated on August 22, 2017 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 December 31, 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 $93,051 as at December 31, 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 affect 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 22, 2020.

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 and cash equivalents

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

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 compensation 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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Flow-through shares (continued)

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) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates ("the functional currency"), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of comprehensive loss.

h) 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.

i) 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) 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.

k) Financial instruments

Financial assets

Financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains three categories of financial assets: Measured at amortization cost after initial recognition, at fair value through other comprehensive income (“FVOCI”) and at fair value through profit or loss (“FVTPL”).

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Equity instruments are generally classified as FVTPL. For equity investment is not held for trading, an entity can make an irrevocable election at initial recognition to measure it at FVOCI with only dividend income recognized in profit or loss. The Company has classified its cash as FVTPL.

Financial liabilities

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

Financial liabilities classified as amortized cost 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 amortized cost.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Financial instruments (continued)

Financial liabilities (continued)

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 December 31, 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.

l) 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.

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;

ii. the measurement of deferred income tax assets and liabilities; and

iii. the inputs used in accounting for share-based payments.

Significant accounting judgments

i. the determination of categories of financial assets and financial liabilities; and

ii. the evaluation of the Company’s ability to continue as a going concern.

(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.

The standard is effective for annual periods beginning on or after January 1, 2019:

IFRS 16 – *Leases*

In June 2016, the IASB issued IFRS 16 – Leases. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019.

The Company is currently evaluating the impact of the adoption of this standard on its financial statements.

5. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs	**Exploration Costs**	**Total**
	$	$	$
Balance, incorporation	-	-	-
Additions	-	110,684	110,684
Balance, December 31, 2017	-	110,684	110,684
Additions	5,000	7,555	12,555
Balance, December 31, 2018	5,000	118,239	123,239

Exploration costs for the period from incorporation on August 22, 2017 to December 31, 2017 include labour costs of $48,300, assay costs of $21,990, data and reporting of $3,200, truck and equipment rentals of $21,000, travel and fuel costs of $2,890, meal and accommodation costs of $10,080 and management fees of $3,224.

Exploration costs for the year ended December 31, 2018 include labour costs of $1,300, data and reporting of $5,525, travel and fuel costs of $431 and meals and accommodation of $299.

Hi Mars Project

Pursuant to an option agreement dated October 30, 2017 (the "Agreement"), with Rich River Exploration and Craig A. Lynes, collectively, the "Optionors", the Company was granted an option to acquire a 100% undivided interest in the Hi Mars Project (the "Property") located near Powel River area in the Vancouver Mining Division, British Columbia.

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSET (continued)

In accordance with the Agreement, the Company has the option to earn the undivided 100% interest in the Property by issuing a total of 600,000 common shares of the Company to the Optionors, making cash payments totaling $160,000, and incurring a total of $600,000 in exploration expenditures as follows:

	Common Shares	**Cash**	**Exploration Expenditures**
	Number	$	$
Upon signing of the Agreement [(1)]	-	5,000	-
Upon listing of the Company's common shares on a Canadian Stock Exchange (the "Listing")	100,000	-	-
On or before the first anniversary of the Listing	100,000	-	-
On or before the second anniversary of the Listing	100,000	25,000	200,000
On or before the third anniversary of the Listing	100,000	30,000	100,000
On or before the fourth anniversary of the Listing	200,000	100,000	300,000
Total	600,000	160,000	600,000

[(1)] The cash payment due upon signing of the agreement on October 30, 2017 was made during the year ended December 31, 2018.

The Property is comprised of two mineral claims.

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.

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 common shares will be held in escrow and are scheduled for release at 10% on the listing date and 15% on every six month from date of listing. At December 31, 2018, there were • common shares held in escrow.

c) Issued and Outstanding as at December 31, 2018: 12,070,001 common shares.

During the period ended December 31, 2017, the Company issued an incorporation share for $1.

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

During the period ended December 31, 2018, the Company had the following share capital transactions:

(i) The Company issued 2,000,000 common shares at a price of $0.005 per share for $10,000, of which $5,000 is recorded as share subscriptions. The fair value of the 2,000,000 common shares was estimated to be $40,000. Accordingly, the Company recorded share-based payments of $30,000 and a corresponding increase to contributed surplus.

(ii) The Company issued 3,750,000 units at a price at $0.02 and 1,070,000 units at $0.05 per unit for total gross proceeds of $128,500. Each unit is comprised of one common share and one common share purchase warrant. Each purchase warrant entitles the holder to purchase one common share of the Company at $0.05 for a period of 5 years.

(iii) The Company issued 5,250,000 flow-through units at a price of $0.02 per unit for gross proceeds of $105,000, which the Company was committed to spend in Qualifying Canadian Exploration Expenditures ("CEE"). None of the Qualifying CEE will be available to the Company for future deduction from taxable income. Each unit is comprised of one flow-through common share and one common share purchase warrant. Each purchase warrant entitles the holder to purchase one common share of the Company at $0.05 for a period of 5 years.

As at December 31, 2018, the Company has spent and renounced $128,500 in CEE.

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.

d) Warrants

As at December 31, 2018, the Company had the following outstanding warrants:

Number of warrants	Exercise price	Expiry date
9,000,000	$ 0.05	August 31, 2023
1,070,000	$ 0.05	September 21, 2023
10,070,000		

As at December 31, 2018, the weighted average contractual remaining life was 4.67 years and exercisable price of $0.05.

(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.

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

	Year ended December 31, 2018	**Period ended December 31, 2017**
	$	$
Share-based payments	30,000	-

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"). During the year ended December 31, 2018, the Company issued 2,000,000 common shares with estimated fair value of $40,000 (see Note 6c) to directors and officers of the Company. Accordingly, the Company recorded an amount of $30,000 as share-based payments for the year ended December 31, 2018.

During the year ended December 31, 2018, the Company paid consulting fees of $36,000 (2017 - $Nil) to a former director and CEO of the Company.

8. INCOME TAXES

The Company has losses carried forward approximately $61,000 available to reduce income taxes in future years which expire from 2037 to 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:

	Year ended December 31, 2018	**Period ended December 31, 2017**
Canadian statutory income tax rate	27%	26%
	$	$
Income tax recovery at statutory rate	(25,000)	(424)
Effect of income taxes of:		
Permanent differences and other	8,400	-
Change in deferred tax assets not recognized	16,600	424
Deferred income tax recovery	-	-

8. INCOME TAXES (continued)

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

	December 31, 2018	**December 31, 2017**
	$	$
Non-capital loss carry forwards	17,000	424
Deferred tax assets not recognized	(17,000)	(424)
	-	-

9. 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.

10. 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.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at December 31, 2018 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	49,249	-	-	49,249

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at December 31, 2018 because of the demand nature or short-term maturity of these instruments.

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.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(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.

11. COMMITMENT

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

12. SUBSEQUENT EVENTS

i. The Company entered into an agency agreement with Canaccord Genuity Corp. (the "Agent") whereby the Agent has agreed to raise on commercially reasonable efforts $350,000 in an initial public offering ("IPO") by the issuance of 3,500,000 common shares of the Company at a price of $0.10 per common share. The Agent was granted the option to raise up to additional 525,000 common shares at a purchase price that is equal to the price per share offered in the IPO.

   Pursuant to the terms of the agency agreement, the Company has agreed to pay to the Agent a cash commission of 10% of the gross proceeds of the IPO. The Company has also agreed to grant Agent warrants (the "Agent's Warrants") which will entitle the Agent to purchase up to 10% of the common shares sold under the IPO at $0.10 per share. The Agent's Warrants are exercisable until 24 months from the Listing date. In addition, the Company has agreed to pay a corporate finance fee of $25,000 in cash upon closing of the IPO, the Agent's legal fees incurred and any other reasonable expenses pursuant to the IPO.

ii. The Company granted 600,000 stock options to certain officers and directors of the Company. The stock options are exercisable at a price of $0.10 per common share for a period of five years from the date of grant.

STRAIGHTUP RESOURCES INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED

SEPTEMBER 30, 2019 AND 2018

(UNAUDITED)

STRAIGHTUP RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note	September 30, 2019 (Unaudited)	December 31, 2018 (Audited)
		$	$
ASSETS			
CURRENT			
Cash		9,690	49,249
Amounts receivable		175	912
Prepaid expenses		10,000	3,938
		19,865	54,099
EXPLORATION AND EVALUATION ASSET	3	123,239	123,239
		143,104	177,338
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities		-	1,888
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	4	243,501	243,501
SHARE SUBSCRIPTIONS		-	(5,000)
CONTRIBUTED SURPLUS	4,5	79,750	30,000
DEFICIT		(180,147)	(93,051)
		143,104	175,450
		143,104	177,338

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
COMMITMENT (Note 8)

Approved and authorized for issue on behalf of the Board on January 22, 2020

"Matthew Coltura " Director *"Mark Lotz "* Director

The accompanying notes are an integral part of these condensed interim financial statements

STRAIGHTUP RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

		Nine months ended September 30,		Three months ended September 30,	
	Note	**2019**	**2018**	**2019**	**2018**
		$	$	$	$
EXPENSES					
Consulting fees	5	15,000	27,000	-	9,000
Listing and filing fees		8,521	-	-	-
Office and administrative		4,189	8,724	40	4,209
Professional fees		4,650	653	-	653
Rent		3,750	6,750	-	2,250
Share-based payments	4,5	49,750	30,000	49,750	-
Telephone and utilities		1,237	2,801	-	1,025
NET LOSS AND COMPREHENSIVE LOSS		87,096	75,928	49,790	17,137
LOSS PER SHARE – Basic and diluted		($0.01)	($0.06)	($0.00)	($0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		12,070,001	1,260,074	12,070,001	3,739,131

The accompanying notes are an integral part of these condensed interim financial statements

STRAIGHTUP RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	Common Shares					
	Number of Shares	**Amount**	**Share subscriptions**	**Contributed Surplus**	**Deficit**	**Total**
		$	$	$	$	$
Balance, January 1, 2018	1	1	-	-	(1,629)	(1,628)
Shares issued to founders	2,000,000	10,000	(5,000)	-	-	5,000
Shares issued for cash	4,820,000	128,500	(40,000)	-	-	88,500
Shares issued for cash (flow-through)	5,250,000	105,000	-	-	-	105,000
Share-based payments	-	-	-	30,000	-	30,000
Net loss for the period	-	-	-	-	(75,928)	(75,928)
Balance, September 30, 2018	12,070,001	243,501	(45,000)	30,000	(77,557)	150,944
Balance, January 1, 2019	12,070,001	243,501	(5,000)	30,000	(93,051)	175,450
Subscriptions received	-	-	5,000	-	-	5,000
Share-based payments	-	-	-	49,750	-	49,750
Net loss for the period	-	-	-	-	(87,096)	(87,096)
Balance, September 30, 2019	12,070,001	243,501	-	79,750	(180,147)	143,104

The accompanying notes are an integral part of these condensed interim financial statements

STRAIGHTUP RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Nine months ended September 30, 2019	2018
	$	$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	(87,096)	(75,928)
Item not involving cash:		
Share-based payments	49,750	30,000
Changes in non-cash working capital balances:		
Amounts receivable	737	(1,237)
Prepaid expenses	(6,062)	-
Accounts payable and accrued liabilities	(1,888)	1,217
Cash used in operating activities	(44,559)	(45,948)
INVESTING ACTIVITIES		
Exploration and evaluation asset	-	(123,239)
Cash used in investing activity	-	(123,239)
FINANCING ACTIVITIES		
Issuance of common shares for cash	-	198,500
Subscriptions received	5,000	-
Cash provided by financing activity	5,000	198,500
CHANGE IN CASH	(39,559)	29,313
CASH, BEGINNING OF PERIOD	49,249	1
CASH, END OF PERIOD	9,690	29,314
SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

The accompanying notes are an integral part of these condensed interim financial statements

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Straightup Resources Inc. ("the Company") was incorporated on August 22, 2017 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, 2019, 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 $180,147 as at September 30, 2019, which has been funded primarily 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 unaudited condensed interim financial statements do not give affect 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 unaudited condensed interim financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These unaudited condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the audited financial statements and notes thereto as of and for the year ended December 31, 2018.

These unaudited condensed interim financial statements were authorized for issue in accordance with a resolution from the Board of Directors on January 22, 2020.

b) Basis of presentation

These unaudited condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. These unaudited condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these unaudited condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These unaudited condensed interim financial statements follow the same accounting policies and methods of application as the annual audited financial statements for the year ended December 31, 2018. The adoption of new accounting standards has had no material impact on the Company's unaudited condensed interim financial statements.

(Expressed in Canadian dollars)

3. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs	**Exploration Costs**	**Total**
	$	$	$
Balance, incorporation	-	-	-
Additions	-	110,684	110,684
Balance, December 31, 2017	-	110,684	110,684
Additions	5,000	7,555	12,555
Balance, December 31, 2018 and September 30,2019	5,000	118,239	123,239

Exploration costs for the period from incorporation on August 22, 2017 to December 31, 2017 include labour costs of $48,300, assay costs of $21,990, data and reporting of $3,200, truck and equipment rentals of $21,000, travel and fuel costs of $2,890, meal and accommodation costs of $10,080 and management fees of $3,224.

Exploration costs for the year ended December 31, 2018 include labour costs of $1,300, data and reporting of $5,525, travel and fuel costs of $431 and meals and accommodation of $299.

Hi Mars Project

Pursuant to an option agreement dated October 30, 2017 (the “Agreement”), with Rich River Exploration and Craig A. Lynes, collectively, the “Optionors”, the Company was granted an option to acquire a 100% undivided interest in the Hi Mars Project (the “Property”) located near Powel River area in the Vancouver Mining Division, British Columbia.

In accordance with the Agreement, the Company has the option to earn the undivided 100% interest in the Property by issuing a total of 600,000 common shares of the Company to the Optionors, making cash payments totaling $160,000, and incurring a total of $600,000 in exploration expenditures as follows:

	Common Shares	**Cash**	**Exploration Expenditures**
	Number	$	$
Upon signing of the Agreement [1]	-	5,000	-
Upon listing of the Company’s common shares on a Canadian Stock Exchange (the “Listing”)	100,000	-	-
On or before the first anniversary of the Listing	100,000	-	-
On or before the second anniversary of the Listing	100,000	25,000	200,000
On or before the third anniversary of the Listing	100,000	30,000	100,000
On or before the fourth anniversary of the Listing	200,000	100,000	300,000
Total	600,000	160,000	600,000

[1] The cash payment due upon signing of the agreement on October 30, 2017 was made during the year ended December 31, 2018.

The Property is comprised of two mineral claims.

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.

4. 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 common shares will be held in escrow and are scheduled for release at 10% on the listing date and 15% on every six month from date of listing. At September 30, 2019, there were • common shares held in escrow.

c) Issued and Outstanding as at September 30, 2019 and 2018: 12,070,001 common shares.

There were no share capital transactions during the nine months ended September 30, 2019.

During the nine months ended September 30, 2018, the Company had the following share capital transactions:

(i) The Company issued 2,000,000 common shares at a price of $0.005 per share for $10,000, of which $5,000 is recorded as share subscriptions. The fair value of the 2,000,000 common shares was estimated to be $40,000. Accordingly, the Company recorded share-based payments of $30,000 and a corresponding increase to contributed surplus.

(ii) The Company issued 3,750,000 units at a price of $0.02 and 1,070,000 units at $0.05 per unit for total gross proceeds of $128,500. Each unit is comprised of one common share and one common share purchase warrant. Each purchase warrant entitles the holder to purchase one common share of the Company at $0.05 for a period of 5 years.

(iii) The Company issued 5,250,000 flow-through units at a price of $0.02 per unit for gross proceeds of $105,000, which the Company was committed to spend in Qualifying Canadian Exploration Expenditures ("CEE"). None of the Qualifying CEE will be available to the Company for future deduction from taxable income. Each unit is comprised of one flow-through common share and one common share purchase warrant. Each purchase warrant entitles the holder to purchase one common share of the Company at $0.05 for a period of 5 years.

As at September 30, 2019, the Company has spent and renounced $128,500 in CEE.

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.

(Expressed in Canadian dollars)

4. SHARE CAPITAL (continued)

d) Warrants

As at September 30, 2019 and 2018, the Company had the following outstanding warrants:

Number of warrants	Exercise price	Expiry date
9,000,000	$ 0.05	August 31, 2023
1,070,000	$ 0.05	September 21, 2023
10,070,000		

As at September 30, 2019, the weighted average contractual remaining life was 3.92 years and exercisable price of $0.05.

e) Stock Options

As at September 30, 2019, the Company had the following outstanding stock options:

Number of stock options	Exercise price	Expiry date
600,000	$0.10	May 17, 2024

The following table summarizes the continuity of the Company's stock options:

	Number of stock options	Weighted average exercise price
		$
Outstanding, January 1, 2019	-	-
Granted	600,000	0.10
Outstanding and exercisable, September 30, 2019	600,000	0.10

Share-based compensation expense is determined using the Black-Scholes option pricing model. During the period ended September 30, 2019, the Company recognized share-based compensation expense of $49,750 in contributed surplus. Weighted average assumptions used in calculating the fair value of share-based compensation expense are as follows:

Exercise price	$0.10
Price on grant date	$0.10
Risk-free interest rate	2.03%
Dividend yield	0%
Expected volatility	120%
Expected life (years)	5.00

(Expressed in Canadian dollars)

5. 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.

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

	Nine months ended September 30, 2019	**Nine months ended September 30, 2018**
	$	$
Share-based payments	49,750	30,000

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"). During the nine months ended September 30, 2018, the Company issued 2,000,000 common shares with estimated fair value of $40,000 (see Note 4c) to directors and officers of the Company. Accordingly, the Company recorded an amount of $30,000 as share-based payments for the nine months ended September 30, 2018.

During the nine months ended September 30, 2019, the Company paid consulting fees of $15,000 (2018 - $27,000) to a former director and CEO of the Company.

6. 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.

7. 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).

7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

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 statements of financial position as at September 30, 2019 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	9,690	-	-	9,690

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at September 30, 2019 because of the demand nature or short-term maturity of these instruments.

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.

7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(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.

8. COMMITMENT

The Company is committed to certain cash payments, common share issuances and exploration expenditures as described in Note 3.

9. INITIAL PUBLIC OFFERING

During the nine months ended September 30, 2019, the Company entered into an agency agreement with Canaccord Genuity Corp. (the "Agent") whereby the Agent has agreed to raise on commercially reasonable efforts $350,000 in an initial public offering ("IPO") by the issuance of 3,500,000 common shares of the Company at a price of $0.10 per common share. The Agent was granted the option to raise up to additional 525,000 common shares at a purchase price that is equal to the price per share offered in the IPO.

Pursuant to the terms of the agency agreement, the Company has agreed to pay to the Agent a cash commission of 10% of the gross proceeds of the IPO. The Company has also agreed to grant Agent warrants (the "Agent's Warrants") which will entitle the Agent to purchase up to 10% of the common shares sold under the IPO at $0.10 per share. The Agent's Warrants are exercisable until 24 months from the Listing date. In addition, the Company has agreed to pay a corporate finance fee of $25,000 in cash upon closing of the IPO, the Agent's legal fees incurred and any other reasonable expenses pursuant to the IPO.

CERTIFICATE OF STRAIGHTUP RESOURCES INC.

Dated: January 22, 2020

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.

"*Matthew Coltura*"
MATTHEW COLTURA
Chief Executive Officer and President

"*Mark Lotz*"
MARK LOTZ
Chief Financial Officer and Corporate Secretary

ON BEHALF OF THE BOARD OF DIRECTORS OF STRAIGHTUP RESOURCES INC.

"*John E. Hiner*"
JOHN E. HINER
Director

"*Dušan Berka*"
DUŠAN BERKA
Director

CERTIFICATE OF THE PROMOTER

Dated: January 22, 2020

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.

"*Matthew Coltura*"

MATTHEW COLTURA

CERTIFICATE OF THE PROMOTER

Dated: January 22, 2020

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.

"*Robert Coltura*"
ROBERT COLTURA

CERTIFICATE OF THE AGENT

Dated: January 22, 2020

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 G. Sullivan*"

FRANK G. SULLIVAN
Vice President, Sponsorship, Investment Banking