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

PRELIMINARY PROSPECTUS

Initial Public Offering July 23, 2019

LIDA RESOURCES INC.

6,000,000 Units for $600,000 (the "**Minimum Offering**")
7,450,000 Units for $745,000 (the "**Maximum Offering**")

Price: $0.10 per Unit

This preliminary prospectus (the "**Prospectus**") qualifies an offering (the "**Offering**") to the public of units (the "**Units**") of Lida Resources Inc. ("**Lida**" or the "**Corporation**") at a price of $0.10 per Unit (the "**Offering Price**"). The minimum size of the Offering is 6,000,000 Units for gross proceeds of $600,000, and the maximum size of the Offering is 7,450,000 Units for gross proceeds of $745,000. Each Unit is comprised of one common share in the capital of the Corporation ("**Common Share**") and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "**Warrant**") entitling the holder to acquire one Common Share at a price of $0.25 per share until the date that is 24 months following the Closing, subject to the option of the Corporation to accelerate the expiry date of the Warrants if the weighted average trading price of the Common Shares during the 20 consecutive trading days immediately prior to the date on which such calculation is made is greater than $0.25. The Offering is being made pursuant to the terms of an agency agreement to be dated the date of the final prospectus (the "**Agency Agreement**") between the Corporation and Leede Jones Gable Inc. (the "**Agent**"). The Closing (as defined herein) will be completed on **[•]**, 2019, or such other date as the Corporation and the Agent may agree but in any event no later than **[•]**, 2019.

	Price to the Public	**Agent's Commission** [(1)]	**Proceeds to Lida** [(1)(2)]
Per Unit	$0.10	$0.010	$0.09
Minimum Offering	$600,000	$60,000	$540,000
Maximum Offering	$745,000	$74,500	$670,500

Notes:

(1) The Agent will receive a commission (the "**Agent's Commission**") of 10% of the gross amount raised in the Offering, payable in cash from the proceeds of the sale of the Units. In addition, the Agent will receive a non-transferable option (the "**Agent's Option**") to purchase that number of Common Shares as is equal to 10% of the number of Units sold pursuant to the Offering. The Agent's Option will be exercisable for a period of two years from the date of listing of the Units on the Canadian Securities Exchange ("**CSE**") at a price of $0.10 per Common Share. This Prospectus also qualifies the grant of the Agent's Option. See "*Plan of Distribution*".

(2) After deducting the Agent's Commission but before deducting the non-refundable fee of $25,000 (plus GST) (the "**Corporate Finance Fee**") paid by the Corporation to the Agent upon execution of the engagement letter with respect to the initial public offering of the Corporation dated March 16, 2018 and the remaining Offering expenses estimated to be $142,500.

An investment in the Units should be considered highly speculative due to the nature of the Corporation's business and its early stage of development. Investments in companies engaged in the mining industry involve a significant degree of risk. The natural resource industry is highly speculative and the Corporation's exploration activities may not be successful. Purchasers must rely on the ability, expertise, judgment, discretion, integrity and good faith of the management of the Corporation. There is no guarantee that the Corporation will be able to secure financing to meet its future needs on reasonable terms. For these reasons, the Offering is suitable only for those purchasers who are able to make long term investments and who are able to risk a loss of their entire investment. Potential purchasers should read this entire Prospectus and consult their professional advisors before investing. See "*Risk Factors*".

There is no market through which the Common Shares and Warrants comprising the Units may be sold and purchasers may not be able to resell Common Shares and Warrants comprising the Units purchased under this Prospectus. This may affect the pricing of the Common Shares and Warrants comprising the Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares and Warrants and the extent of issuer regulation. See "*Risk Factors*". The Corporation has applied to the CSE to conditionally approve a listing of the Common Shares. The listing is subject to the Corporation fulfilling all of the listing requirements of the CSE, including prescribed distribution and financial requirements. The Corporation does not intend to list the Warrants on the CSE or any other stock exchange.

The Agent, or registered sub-agents who assist the Agent in the distribution of the Units offered hereunder, hereby conditionally offers on a commercially reasonable basis a minimum of 6,000,000 Units and up to a maximum of 7,450,000 Units for sale, subject to prior sale, if, as and when issued and delivered by the Corporation and accepted by the Agent in accordance with the conditions contained in the Agency Agreement referred to under "*Plan of Distribution*" and subject to approval by Burnet, Duckworth & Palmer LLP, on behalf of the Corporation, and by Burstall LLP, on behalf of the Agent, of certain legal matters. The Offering Price of the Units hereunder was determined by negotiation between the Corporation and the Agent. The completion of the Offering is subject to the sale, by the Agent, of at least the Minimum Offering amount on or before 90 days after the issuance of the final receipt for the final prospectus respecting the Offering, unless an amendment to the final prospectus is filed and a receipt for the amendment is issued, in which case the latest date that the distribution is to remain open is 90 days after the date of issuance of a receipt for the amendment, and in any event no later than 180 days from the date of the receipt for the final prospectus. If subscriptions are not received aggregating the Minimum Offering, the Offering will not be completed and all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent. Subscriptions for Units will be subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. See "*Plan of Distribution*".

It is expected that the Closing will occur on or about **[•]**, 2019, or such later date as the Corporation and the Agent may agree, but in any event, not later than **[•]**, 2019. The Units will separate into Common Shares and Warrants on the Closing Date and the certificates representing the Common Shares and Warrants (other than the certificates representing Common Shares and Warrants to be issued to persons resident outside of Canada or residents of Canada who specifically request a certificate, which will be issued in individually certificated form) will be issued in book-entry only form and registered to CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and deposited with CDS on the same day. Holders of Common Shares and Warrants (other than holders resident outside of Canada or residents of Canada who specifically request a certificate) will receive only a customer confirmation from the Agent or other registered dealers who are CDS participants and from or through whom a beneficial interest in the Common Shares and Warrants is acquired.

As at the date of this Prospectus, the Corporation is an "IPO Venture Issuer" (defined under National Instrument 41-101 - *General Prospectus Requirements*) that is: (i) filing a long form prospectus; (ii) not a reporting issuer in any jurisdiction immediately before the date of the final long form prospectus; and (iii) as of the date of the Prospectus, 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 (A) the Toronto Stock Exchange, (B) a U.S. marketplace, or (C) 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.).

The following table sets out the number of securities that may be issued by the Corporation to the Agent:

Agent's Position	**Maximum Number of Common Shares Available[(2)]**	**Exercise Period**	**Exercise Price**
Agent's Option[(1)]	745,000	2 years	$0.10

Notes:

(1) On Closing, the Agent will be granted the Agent's Option entitling the Agent to purchase that number of Common Shares that is equal to 10% of the number of Units sold under the Offering at a price of $0.10 per Common Share for a period of two years following listing of the Common Shares on the CSE. This Prospectus also qualifies the issuance of the Agent's Option. See "*Plan of Distribution*".

(2) This number assumes that the maximum number of Units available under the Offering is sold. If the Minimum Offering is achieved, then the number of Common Shares available to the Agent will be 600,000 Common Shares.

Investors should rely only on the information contained in this Prospectus. The Corporation has not authorized anyone to provide investors with different information. The Corporation is not offering the Units in any jurisdiction in which the offer is not lawfully permitted. Investors should not assume that the information contained in this Prospectus is accurate as of any date other than the date of this Prospectus. Subject to the Corporation's obligations under applicable securities laws, the information contained in this Prospectus is accurate only as of the date hereof regardless of the time of delivery of this Prospectus or of any sale of the Units.

AN INVESTMENT IN MINING ISSUERS INVOLVES A SIGNIFICANT DEGREE OF RISK. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE PROPERTIES (AS IS THE CASE WITH THE CORPORATION) ARE IN THE EXPLORATION STAGE AS OPPOSED TO THE DEVELOPMENT STAGE. AN INVESTMENT IN THE UNITS SHOULD ONLY BE MADE BY PERSONS WHO CAN AFFORD THE TOTAL LOSS OF THEIR INVESTMENT. INVESTORS SHOULD CAREFULLY CONSIDER THE RISKS REFERRED TO UNDER THE HEADING "RISK FACTORS" IN THIS PROSPECTUS.

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FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus may constitute "forward-looking" statements involving known and unknown risks, uncertainties and other factors regarding the Corporation's intentions, beliefs, expectations and future results as they pertain to the Corporation and the Corporation's industry. This may cause the actual results, performance or achievements of the Corporation, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. This forward-looking information also includes information regarding the financial condition and business of the Corporation, as they exist at the date of this Prospectus and as they are expected to be after the Offering.

Forward-looking statements may include, but are not limited to, statements regarding the Corporation's opportunities, strategies, competition, expected activities and expenditures as the Corporation pursues its business plan, the adequacy of the Corporation's available cash resources and other statements about future events or results. In particular, and without limiting the generality of the foregoing, this Prospectus contains forward-looking information concerning:

- the Corporation's exploration of the San Vicente Property, which information has been based on exploration on the Property to date and the recommended work program set forth in the Technical Report (described below) concerning the San Vicente Property;
- general market conditions;
- the availability of financing for proposed programs on reasonable terms;
- the ability to contract outside service providers and the reliability of those outside service providers in delivering services in a satisfactory and timely manner;
- expectations with respect to the exploration activities of Lida;
- the completion of the Offering, and the timing thereof;
- the use of the net proceeds of the Offering;
- the performance of the Corporation's business and operations;
- the Corporation's expectations regarding revenues, expenses and anticipated cash needs;
- the intention to grow Lida's business and operations;
- future development and production costs, including potential acquisitions of additional property or facilities;
- the competitive conditions of the industry in which the Corporation operates;
- the legal system of Peru and changes thereto;
- the regulatory and permitting process in Peru;
- the expected timing and completion of the Corporation's near-term objectives;
- laws and any amendments thereto applicable to the Corporation;
- the competitive advantages and business strategies of the Corporation;
- the Corporation's plans with respect to the payment of dividends;
- the identity of the NEOs of the Corporation and the expected compensation payable to them;
- the adoption of the Option Plan and the expected grants to be made thereunder; and
- corporate governance matters, including the adoption of Board committee mandates, the membership of such committees and the adoption of various corporate policies.

The Corporation's forward-looking information is based on the beliefs, expectations and opinions of management of the Corporation on the date the information is provided. Investors should not place undue reliance on forward-looking information.

In certain cases, forward-looking statements can be identified by the use of such words as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "seek", "project", "should", "strategy", "future", "consider" and other similar terminology. These statements reflect the Corporation's current expectations regarding future events and operating performance and speak only as of the date of this Prospectus.

Forward-looking statements in this Prospectus include statements regarding:

- compliance with regulatory requirements relating to Lida's business;

- changes in laws, regulations and guidelines relating to Lida's business;
- limited operating history;
- inability to develop production, or access third party, facilities or sufficient capacity or, once developed or accessed, as the case may be, manage growth;
- reliance on management;
- competition in Lida's industry;
- market price volatility of commodities Lida is targeting;
- inherent risks associated with the mining business;
- unfavorable publicity or consumer perception of the industry, the Corporation or the opportunities in the jurisdiction in which the Corporation's assets are located;
- conflicts of interest of the Corporation's officers and directors;
- compliance with environmental regulations relating to the Corporation's business;
- involvement in litigation;
- volatility in the market price for the securities of the Corporation;
- no dividends for the foreseeable future;
- future sales of Common Shares or other securities by existing shareholders causing the market price for the securities to fall; and
- the issuance of shares or other securities in the future causing dilution.

Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed immediately under "*Risk Factors*" elsewhere in this Prospectus. Although the forward-looking statements contained in this Prospectus are based upon what management of the Corporation believes are reasonable assumptions, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this Prospectus and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, neither the Corporation nor the Agent assume any obligation to update or revise them to reflect new events or circumstances.

Market Data

Unless otherwise indicated, information contained in this Prospectus concerning the industry and the markets in which Lida operates or seeks to operate, including its general expectations and market position, market opportunities and market share, is based on information from third party sources, industry reports and publications (including industry surveys and forecasts), websites, other publicly available information and management studies and estimates.

Unless otherwise indicated, the Corporation's estimates are derived from publicly available information released by independent industry analysts and third party sources as well as data from the Corporation's own internal research, and include assumptions made by it which it believes to be reasonable based on its knowledge of the Corporation's industry and markets. The Corporation's internal research and assumptions have not been verified by any independent source, and it has not independently verified any third party information.

While Lida believes the market information and other estimates included in this Prospectus to be generally reliable, such information and estimates are inherently imprecise. In addition, projections, assumptions and estimates of the Corporation's future performance or the future performance of the industry and markets in which it operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under "*Forward-Looking Statements*" and "*Risk Factors*". Neither the Corporation nor the Agent have independently verified any of the data from third party sources referred to in this Prospectus or ascertained the underlying assumptions relied upon by such sources.

ELIGIBILITY FOR INVESTMENT

In the opinion of Burnet, Duckworth & Palmer LLP, counsel to the Corporation, based on the current provisions of the Tax Act and the regulations thereunder, in force as of the date hereof, the Common Shares and Warrants, if issued on the date hereof, would be qualified investments for trusts governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, registered disability savings plan, tax-free savings account (collectively referred to as "**Registered Plans**") or a deferred profit sharing plan ("**DPSP**"), provided that:

(i) in the case of Common Shares, the Common Shares are listed on a designated stock exchange in Canada for the purposes of the Tax Act (which currently includes the CSE) or the Corporation qualifies as a "public corporation" (as defined in the Tax Act); and

(ii) in the case of the Warrants, the Common Shares are qualified investments as described in (i) above and the Corporation is not, and deals at arm's length with each person who is, an annuitant, a beneficiary, an employer or a subscriber under or a holder of such Registered Plan or DPSP.

Notwithstanding the foregoing, the holder of, or annuitant under, a Registered Plan (the "**Controlling Individual**") will be subject to a penalty tax in respect of Common Shares or Warrants held in the Registered Plan if such securities are a prohibited investment for the particular Registered Plan. A Common Share or Warrant generally will be a "prohibited investment" for a Registered Plan if the Controlling Individual does not deal at arm's length with the Corporation for the purposes of the Tax Act or the Controlling Individual has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in the Corporation. **Controlling Individuals should consult their own tax advisors as to whether the Units, Common Shares, or Warrants will be a prohibited investment in their particular circumstances.**

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. See "Glossary" with respect to the meaning ascribed to capitalized terms that are not otherwise defined in this section.

Lida Resources Inc.

Lida is an independent, Canadian-based, internationally focused mining company. The Corporation was incorporated under the CBCA on September 8, 2017 under the name "Lida Resources Inc." and, through its subsidiaries in Peru, owns and operates the San Vicente Property (as defined herein).

The Corporation's head office is located at #2, 14 Street West, North Vancouver, British Columbia V7M 1P9. The Corporation's registered and records office is located at Suite 2400, 525 8 Avenue SW, Calgary, Alberta, T2P 1G1. The Corporation is currently engaged in the business of mineral exploration in La Libertad, Peru.

See "*Description and General Development of the Business*".

The San Vicente Property

The Corporation, through Imperium, is the holder of the Concession, which covers approximately 200 hectares and is located on the western side of the Central Andean Cordillera at an altitude of approximately 3,400 metres. The area of the Concession that Lida plans to mine is known as the San Vicente property (the "**Property**" or the "**San Vicente Property**"). The San Vicente Property is located approximately 120 kilometres east of the coastal city of Trujillo, Peru in the district of Agallpampa within the Province of Otuzco in the department of La Libertad. Access to the Property is 70 kilometres by paved road to the community of Otuzco, followed by 50 kilometres by a combination of gravel and clay roads to Chota where the Property is located. Imperium applied for and was granted the Concession by the Ministerio de Energia Y Minas of Peru in November of 2017.

A geological report (the "**Technical Report**") dated effective February 14, 2018 was prepared by George C. Sharpe of Mineral Exploration Services, who is a "Qualified Person" as defined in NI 43-101 and independent of the Corporation. The Technical Report recommends that the Corporation conduct a two phase exploration program comprised of: (i) a phase one surface exploration program ("**Phase One**") of geophysical analysis, surface channel sampling, underground channel sampling and facilities and drilling construction; and (ii) if warranted by the results of Phase One, a phase two underground exploration program ("**Phase Two**") of underground infrastructure development, geomechanical and lithological mapping and mining mineral treatment (to increase metallurgy data). The estimated budget for Phase One is $175,000 to $250,000, with an expected time frame of 10 months. As of the date hereof, no approximate budget has been calculated for Phase Two.

Exploration conducted on the Property by SMRL produced 187 samples from 66 channels, identifying three mineralized structures (MZ1, MZ2 and MZ3). Lida's future exploration activities will partly be directed by the exploration activities conducted by SMRL; however, not enough samples were taken by SMRL to be able to evaluate the Property properly. The Corporation will strive to supplement the activities conducted by SMRL with the planned Phase One activities in order to more fully evaluate the San Vicente Property.

See "*Description and General Development of the Business"* and *"San Vicente Property*".

The Offering

The Corporation is offering for sale a minimum of 6,000,000 Units for gross proceeds of $600,000 and a maximum of 7,450,000 Units for gross proceeds of $670,000. The Corporation will pay the Agent's Commission and will issue to the Agent the Agent's Option. The Corporation has paid the Agent the Corporate Finance Fee.

The Offering is subject to the successful completion of the Minimum Offering on or before 90 days after the issuance of the final receipt for the final prospectus respecting the Offering, unless an amendment to the final prospectus is filed and a receipt for the amendment is issued, in which case the latest date that the distribution is to remain open is 90 days after the date of issuance of a receipt for the amendment, and in any event no later than 180 days from the date of the receipt for the final prospectus. There will be no Closing unless the Minimum Offering is achieved.

See "*Plan of Distribution*".

Use of Proceeds

The Corporation will receive net proceeds of $540,000 from the Minimum Offering and net proceeds of $670,500 from the Maximum Offering after deducting the Agent's Commission. Total offering expenses excluding agents' commissions are estimated to be $167,500. The Corporation intends to use the available funds as follows:

Item	Minimum Offering ($)	Maximum Offering ($)
Funds Available		
Initial Public Offering (gross proceeds)	600,000	745,000
Agent's Commission	(60,000)	(74,500)
Expected working capital deficiency at July 31, 2019 (excluding asset held for sale)	(121,400)	(121,400)
Total Funds Available	**418,600**	**549,100**
Principal purpose for the use of Funds Available		
Balance of estimated costs of the Offering (including legal, audit and amounts due to the Agent, and applicable filing fees and listing fees)	62,500	62,500
Project manager, qualified person or chief geologist and Peru staff	49,000	64,000
Exploration on the Property[(2)]	175,000	250,000
Estimated general and administrative expenses for 12 months	124,500	124,500
Unallocated working capital	7,600	48,100

Net Proceeds from Initial Public Offering	**418,600**	**549,100**

Notes:

(1) Total estimated costs of the Offering are $167,500, of which $55,000, which includes the Corporate Finance Fee, has been paid with proceeds from prior share issuances and $50,000 have been included in working capital. The total estimated costs are comprised of legal costs of $75,000, auditor costs of $30,000, Agent's expenses of $20,000, applicable filing fees and listing fees of $17,500, and the Corporate Finance Fee of $25,000

(2) See "*San Vicente Property - Recommended Work Program*".

The Corporation's unallocated working capital will be available for further exploration work on the Property, if such work is warranted based on results from the exploration programs currently planned. If not required for further work on the Property, those funds will be available for acquisition, exploration or development of other properties.

The Corporation intends to spend the funds raised pursuant to the Offering as stated in this Prospectus. There may be circumstances, however, where, for sound business reasons a reallocation of such funds may be necessary.

See "*Use of Proceeds*".

Risk Factors

An investment in the Units should be considered highly speculative due to the nature of the Corporation's business and the present stage of its development and should only be considered by investors who can afford the total loss of their investment. A prospective purchaser of Units should be aware that there are various risks that could have a material adverse effect on, among other things, the properties, business and condition (financial or otherwise) of the Corporation. These risk factors, together with all of the other information contained in this Prospectus, including information contained in the sections entitled "*Risk Factors*" and "*Forward-Looking Information*", should be carefully reviewed and considered before the decision to purchase Units is made.

The following is an abbreviated list of certain risk factors relating to the activities of Lida and the ownership of the Common Shares and Warrants which a prospective purchaser of Units should carefully consider before making an investment decision relating to the Units:

- there is only a limited operating history upon which to evaluate the Corporation;
- the Corporation has no history of earnings and the Corporation may need to raise additional capital in the future;
- the intended use of proceeds described in this Prospectus is an estimate only and is subject to change;
- there are no known commercial quantities of mineral reserves on the Property;
- factors beyond the Corporation's control may affect the marketability of metals discovered, if any;
- the Corporation cannot guarantee that title to its mineral properties will not be challenged;
- any delay or failure to obtain required surface rights could negatively impact the Corporation's future exploration of the Property;
- any delay or failure to receive any required land use approvals or permits could negatively impact the Corporation's future exploration of the Property;
- 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 from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production;
- the Corporation's activities are subject to environmental regulation and will require permits or licences that may not be granted;
- the Corporation may be liable for environmental contamination and natural resource damages relating to the Property that occurred before the Corporation owned the Property;
- the Property or the roads or other means of access which the Corporation intends to utilize may be subject to interests or claims by third party individuals, groups or companies;

- the Corporation's ability to access or develop facilities capable of processing and refining ore;
- the Corporation and its assets may become subject to uninsurable risks;
- the Corporation is currently largely dependent on the performance of its management and directors and there is no assurance that their services can be maintained;
- in recent years, both metal prices and publicly traded securities prices of mining issuers have fluctuated widely;
- the financial risk of the Corporation's future activities will be borne to a significant degree by purchasers of the Units, who, on completion of the Offering, will incur immediate and substantial dilution;
- income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser;
- the Corporation has not declared or paid any dividends and does not currently have a policy on the payment of dividends;
- preparation of the Financial Statements requires the Corporation to use estimates and assumptions, and actual amounts could differ from those based on these estimates and assumptions;
- foreign exchange rates and interest rates may vary;
- operational hazards and other operational uncertainties exist;
- access to services, materials and equipment may vary;
- future acquisitions and development plans for Lida depend on the availability of debt or equity financing;
- future sales of Common Shares or other securities of the Corporation, as the case may be, may cause dilution;
- environmental risks exist;
- future capital expenditures may impact profitability;
- industry competition exists;
- the present state of Lida's development makes an investment in Lida risky;
- potential conflicts of interest may exist for directors and officers of Lida;
- the structure of Lida may change;
- investment in the Units is risky; and
- legal, accounting and other expenses associated with public company reporting requirements have increased significantly in recent years.

Financial Information

The summary presented below contains selected financial information of the Corporation that is derived from, and should be read in conjunction with, the Financial Statements, "*Consolidated Capitalization*" and "*Management's Discussion and Analysis*" that are included elsewhere in this Prospectus. The following table sets forth summary financial information summarized from the Financial Statements which are included in this Prospectus.

	Audited Period from Incorporation to August 31, 2018	**Six months ended February 28, 2019**
Mineral properties[(1)] (including Las Huaquillas Property reclassified to assets held for sale at November 30, 2018)	$1,878,085	$830,362
Total assets	$1,984,643	$900,496
Total revenues	Nil	Nil
Long-term debt	Nil	Nil
Exploration and evaluation costs	$131,181	$79,226
Other non-exploration and non-evaluation costs[(2)]	$118,869	$102,038
Net loss	$248,486	$53,522
Basic and diluted loss per share[(3)]	$0.01	$0.00

Notes:

(1) Mineral properties as at February 28, 2019 include $830,362 (August 31, 2018 - $827,375) for the San Vicente Property and $nil (August 31, 2018 - $1,050,710) for the Las Huaquillas Property, which was sold during the six months ended February 28, 2019 to Fidelity in exchange for 25,000,000 common shares and 12,500,000 share purchase warrants of Fidelity (together, the "**Fidelity Securities**") The shares were valued at acquisition at $0.035, the market value of Fidelity shares at the time of closing for a total value of $875,000, and the warrants were valued at $0.033 valued using the Black-scholes option model for a value of $413,000 for total valuation of $1,288,000. Each warrant is exercisable into one share of Fidelity at $0.08 per share for a period of five years. Given the fair value of the consideration received, the transaction resulted in a gain to Lida of $232,616. These shares were distributed to the shareholders of Lida as a return of capital. The San Vicente Property increase from $827,375 was due to foreign exchange as the functional currency of the Peruvian subsidiary is the Peruvian Sol.

(2) Other non-exploration and evaluation costs include consulting expenses of $62,885 as at August 31, 2018 ($25,260 as at February 28, 2019); professional fees of $44,930 as at August 31, 2018 ($65,692 as at February 28, 2019); general and administration expense of $4,968 as at August 31, 2018 ($8,924 as at February 28, 2019); travel expenses of $5,298 ($1,268 at February 28, 2019) and bank fees of $788 at August 31, 2018 ($894 as at February 28, 2019).

(3) Based on weighted average number of Common Shares issued and outstanding for the period.

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

As of the date of this Prospectus, the Corporation has issued 34,877,596 Common Shares. See "*Description and General Development of the Business – Lida History – The Private Placements*". The proceeds of these issuances have been and will be used for the acquisition of interests in the Property, the initial capital program that the Corporation has undertaken in respect of the San Vicente Property, Phase One and general corporate purposes of the Corporation.

The Corporation has not declared or paid any dividends since incorporation and does not envisage declaring or paying any dividends until such time as it earns sufficient profits from which to declare a dividend.

GLOSSARY

In this Prospectus, the capitalized terms set forth below have the following meanings:

"**Agency Agreement**" means the agency agreement entered into between the Corporation and the Agent to be dated the date of the final prospectus, with respect to the Offering;

"**Agent**" means Leede Jones Gable Inc.;

"**Agent's Commission**" means the fee equal to 10% of the gross proceeds of the Offering;

"**Agent's Option**" means the option to be issued to the Agent to purchase that number of Common Shares equal to 10% of the aggregate number of Units sold pursuant to the Offering at a price of $0.10 per Common Share until the date that is 24 months after the Closing Date;

"**Agent's Option Shares**" means the Common Shares issued to the Agent pursuant to the Agent's Option;

"**Amazon Agreement**" has the meaning set forth under "*Description and General Development of the Business –* "*Lida History – Acquisitions"*;

"**Amazon Global**" has the meaning set forth under "*Description and General Development of the Business –* "*Lida History – Acquisitions"*;

"**Board of Directors**" or "**Board**" means the board of directors of the Corporation;

"**business day**" means any day, other than a Saturday, Sunday or Canadian federal or Alberta provincial holiday, on which banks are open for business in Calgary, Alberta;

"**CBCA**" means the *Canada Business Corporations Act* together with any amendments thereto and where applicable, includes all regulations promulgated thereunder;

"**CDS**" means CDS Clearing and Depositary Services Inc.;

"**Claim**" has the meaning set forth under "*Prospectus Summary – Description and General Development of the Business – The Concession*";

"**Closing**" means the closing of the Offering;

"**Closing Date**" means the date of Closing of the Offering which is expected to occur on or about **[•]**, 2019 or such other date as may be agreed by the Corporation and the Agent, but in any event, not later than **[•]**, 2019;

"**Common Shares**" means common shares in the share capital of the Corporation;

"**Concession**" means the mining concession (code 010014602) to operate as a small mining company and allowing for development of a main access into mineralized structures and for the development along the mineralized structures, held by the Corporation in the province of La Libertad, Northern Peru;

"**Corporate Finance Fee**" means the non-refundable fee of $25,000 (plus GST) paid by the Corporation to the Agent upon execution of the engagement letter with respect to the initial public offering of the Corporation dated March 16, 2018 between the Agent and the Corporation;

"**Corporation**" or "**Lida**" means Lida Resources Inc., a corporation incorporated under the ABCA;

"**CSE**" means the Canadian Securities Exchange;

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

"**Escrow Agreement**" means the escrow agreement to be entered into on or prior to the Closing among the Corporation, the Escrow Agent and certain current shareholders of the Corporation (including all of the directors and officers of the Corporation);

"**Expiry Date**" means the date in which the Warrants expire, being the date that is 24 months following the Closing, subject to the Warrant Acceleration;

"**Expiry Time**" means the time in which the Warrants expire, being 5:00 p.m. (Calgary time) on the date that is 24 months following the Closing, subject to the Warrant Acceleration;

"**Fidelity**" means Fidelity Minerals Corp (formerly Fidelity Mining Corp.);

"**Fidelity Purchase Agreement**" has the meaning set forth under "*Description and General Development of the Business – Fidelity Transaction*";

"**Financial Statements**" means, together, the audited consolidated financial statements of the Corporation as at and for the period dating from incorporation to August 31, 2018 and the review for the six-month period ended February 28, 2019, and the respective auditors reports thereon;

"**GST**" means goods and services tax as defined in the Excise Tax Act, R.S.C. 1985, c. E-15 and any regulations promulgated thereunder;

"**Imperium**" means Imperium Mining S.A.C., a subsidiary of Lida and a corporation organized pursuant to the laws of Peru;

"**Imperium Purchase Agreement**" has the meaning set forth under "*Description and General Development of the Business – Acquisitions*";

"**Las Huaquillas**" or "**Las Huaquillas Property**" means the Huaquillas mineral properties located north of Lima, ten kilometres south of the Ecuadorian border;

"**Lida Peru**" means Lida Resources S.A.C., a subsidiary of Lida and a corporation organized pursuant to the laws of Peru;

"**Maximum Offering**" means the maximum offering of up to 7,450,000 Units qualified for distribution by this Prospectus;

"**MD&A**" means management's discussion and analysis;

"**Minera**" means Minera LBJ S.A.C., a corporation organized pursuant to the laws of Peru;

"**Minera Purchase Agreement**" has the meaning set forth under "*Description and General Development of the Business – Acquisitions*";

"**Minimum Offering**" means the minimum offering of 6,000,000 Units qualified for distribution by this Prospectus;

"**MZ1**" means mineralized zone 1;

"**MZ2**" means mineralized zone 2;

"**MZ3**" means mineralized zone 3;

"**MZ4**" means mineralized zone 4;

"**NEO**" means named executive officer;

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

"**NI 52-110**" means National Instrument 52-110 - *Audit Committees*;

"**NI 58-101**" means National Instrument 58-101 - *Disclosure of Corporate Governance Practices*;

"**Offering**" means the public offering of Units at $0.10 per Unit;

"**Option Plan**" means the incentive stock option plan of the Corporation as approved by the directors of the Corporation on February 8, 2019 which allows for the granting of Options to purchase Common Shares to directors, officers, employees and consultants of the Corporation or its subsidiaries;

"**Options**" means incentive stock options of the Corporation currently issued or to be issued under the Option Plan;

"**Peruvian Mining Law**" means Supreme Decree No. 014-92-EM of June 1992 published by the Ministry of Energy and Mines – General Mining Bureau;

"**Phase One**" means the first, surface exploration phase of the Corporation's two-stage exploration program for the Property as recommended by the Technical Report, consisting of the definition of the survey of area in increased detail, geophysical analysis, surface channel sampling, underground channel sampling, construction of facilities and drilling;

"**Phase Two**" means the second, underground, exploration phase of the Corporation's two-stage exploration program for the Property as recommended by the Technical Report, consisting of, if warranted by the results of Phase One, continued development of the underground infrastructure by driving exploration drifts, geomechanical and lithological mapping and mining mineral treatment (to increase metallurgy data);

"**Private Placements**" means, together, the non-brokered private placements by the Corporation totalling 9,877,596 Common Shares at a price of $0.03 and $0.07 per share, respectively, for total aggregate proceeds of $574,045;

"**Property**" or "**San Vicente Property**" has the meaning set forth under "*Prospectus Summary – San Vicente Property*";

"**Rial**" means Rial Minera S.A.C., a corporation organized pursuant to the laws of Peru and owner of Las Huaquillas;

"**San Vicente Agreements**" has the meaning set forth under "*Description and General Development of the Business – Acquisitions*";

"**SMRL**" means S.M.R.L. El Otro Lado, a corporation organized pursuant to the laws of Peru and the former owner and operator of the San Vicente Property;

"**Tax Act**" means the *Income Tax Act* (Canada), together with any amendments thereto and where applicable, includes all regulations promulgated thereunder;

"**Technical Report**" has the meaning set forth under "*Description and General Development of the Business*";

"**Transfer Agent**" means TSX Trust Company;

"**Trigger Event**" means if weighted average trading price of the Common Shares on the CSE or such other exchange or market as the Common Shares then currently trade during the 20 consecutive trading days immediately prior to the date on which such calculation is made is greater than $0.25;

"**Unit**" means a unit to be issued by the Corporation, comprised of one Common Share and half of one Warrant;

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

"**Warrant**" means Common Share purchase warrants of the Corporation, each Warrant entitling the holder to acquire one Common Share at a price of $0.25 per share until the Expiry Time;

"**Warrant Acceleration**" means in the case of a Trigger Event, the option of the Corporation to accelerate the Expiry Date to the date that is 30 days from the Trigger Event;

"**Warrantholder**" means a holder of a Warrant from time to time;

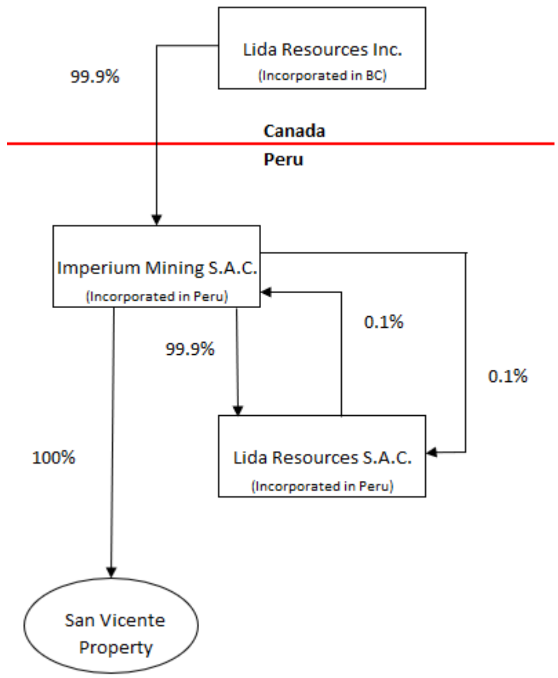
"**Warrant Indenture**" means the warrant indenture to be dated on or about the date of Closing between the Corporation and **[●]**, which will govern the terms and conditions of the Warrants; and

"**$**" means Canadian dollars.

CORPORATE STRUCTURE

Intercorporate Relationships

The Corporation was incorporated under the CBCA on September 8, 2017 under the name "Lida Resources Inc.". Lida is an independent, Canadian-based, internationally focused mining company and, through Imperium and Lida Peru, owns and operates the San Vicente Property.



The Corporation's head office is located at #2, 14 Street West, North Vancouver, British Columbia V7M 1P9. The Corporation's registered and records office is located at Suite 2400, 525 8 Avenue SW, Calgary, Alberta, T2P 1G1. The Corporation is currently engaged in the business of mineral exploration in La Libertad, Peru.

DESCRIPTION AND GENERAL DEVELOPMENT OF THE BUSINESS

Lida acquires properties by staking initial Claims, negotiating for permits from government authorities, acquiring Claims or permits from existing holders, entering into option agreements to acquire interests in Claims or purchasing companies with Claims or permits. On these properties, the Corporation explores for minerals on its own or in joint ventures with others. Exploration for metals usually includes surface sampling, airborne and/or ground geophysical surveys and drilling. The Corporation is not limited to any particular metal or region, but the corporate focus is on precious and base metals in South America, specifically Peru, as at the date hereof.

The Corporation is, indirectly, the registered holder of the Concession, which covers approximately 200 hectares known as the San Vicente Property.

Lida History

The Private Placements

Prior to February 28, 2019, Lida completed a: (i) founders financing of 2,934,667 Common Shares for total proceeds of $88,040 at a price of $0.03 to directors and officers of Lida; and (ii) private placement of 5,645,786 Common Shares for total proceeds of $395,205 at a price of $0.07 to subscribers pursuant to the exemptions from the prospectus requirements provided for under National Instrument 45-106 – *Prospectus Exemptions* ("**NI 45-106**"). Subsequent to February 28, 2019, Lida completed a series of private placements on March 8, 2019, March 22, 2019 and April 11, 2019 of 1,297,143 Common Shares for total proceeds of $90,800 at a price of $0.07 to subscribers pursuant to the exemptions from the prospectus requirements provided for under NI 45-106.

Acquisitions

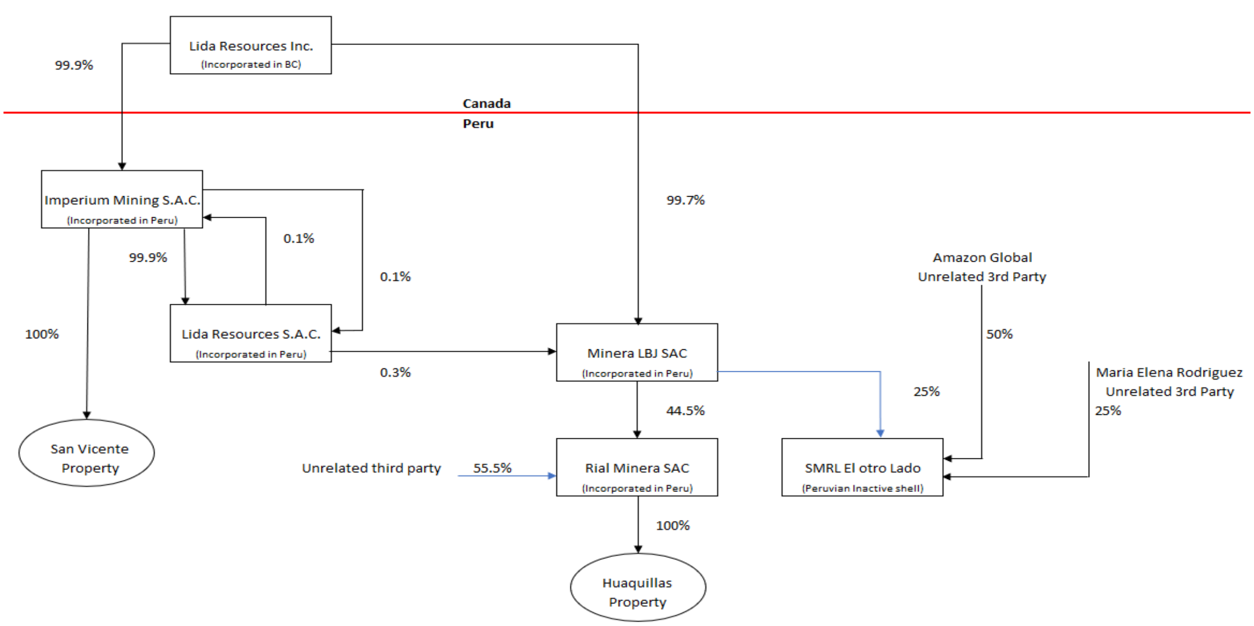
Effective December 26, 2017, the Corporation entered into a purchase and sale agreement (the "**Minera Purchase Agreement**") whereby, pursuant to its terms and conditions, Lida acquired 99.97% of the issued and outstanding shares of Minera from Leonard De Melt and José Rodriguez for total aggregate consideration of 15,000,000 Common Shares valued at a price of $0.07 per Common Share. On the date of Closing, Minera was the owner of a 44.5% interest in Rial.

Effective December 27, 2017, the Corporation entered into a purchase and sale agreement (the "**Imperium Purchase Agreement**") whereby, pursuant to its terms and conditions, Lida acquired 99.9% of the issued and outstanding shares of Imperium from Leonard De Melt and José Rodriguez for total aggregate consideration of: (i) $10; and (ii) 10,000,000 Common Shares valued at a price of $0.07 per Common Share.

On March 5, 2018, the Corporation entered into purchase and sale agreements (the "**San Vicente Agreements**") whereby, pursuant to their terms and conditions, Imperium acquired a 100% interest in the San Vicente Property from SMRL for total consideration of US$100,000. The former 50% owner of SMRL was Amazon Global Trading Corp. ("**Amazon Global**") and, pursuant to the San Vicente Agreements, Amazon Global was to receive consideration of US$50,000 as a part of the transfer of the Property to Imperium. To date, Imperium has paid a total of US$16,000 to Amazon Global (US$66,000 total under the San Vicente Agreements). With respect to the amount owing to Amazon Global of US$34,000, Imperium entered into a letter agreement (the "**Amazon Agreement**") with Amazon Global dated July 12, 2019 whereby, among other things, Amazon Global acknowledged that the amount owing did not effect the transfer of the title to the Property and that the San Vicente Property had been validly transferred to Imperium.

The Fidelity Transaction

As at the date of the Financial Statements, the Corporation: (i) had three subsidiaries, Imperium, Lida Peru and Minera, each being a limited liability company organized pursuant to the laws of Peru; and (ii) through Minera, indirectly owned a 44.5% interest in Rial.



On December 4, 2018, the Corporation entered into an arm's length agreement (the "**Fidelity Purchase Agreement**") dated November 2, 2018 with Fidelity in respect of the purchase and sale of the Las Huaquillas Property through the sale to Fidelity of Minera. In exchange for its entire interest to and in the shares in the capital of Minera, Lida received 25,000,000 common shares and 12,500,000 share purchase warrants of Fidelity (together, the "**Fidelity Securities**") The shares were valued at acquisition at $0.035, the market value of Fidelity shares at the time of closing for a total value of $875,000, and the warrants were valued at $0.033 valued using the Black-scholes option model for a value of $413,000 for total valuation of $1,288,000. Each warrant is exercisable into one share of Fidelity at $0.08 per share for a period of five years. Following completion of the sale of the Minera shares to Fidelity, the Board approved the distribution of the Fidelity Securities to holders of Common Shares by way of return of capital. In accordance with the terms of the arrangement, the Corporation has transferred 100% of the Fidelity Securities to its shareholders on a proportional basis. In coming to its decision to distribute the Fidelity Securities to Lida shareholders, the Board placed significant emphasis on the fact Lida shareholders had a vested interest in and to the Las Huaquillas Property via their initial investment in Lida. The Board determined that holders of Common Shares should be able to share in the go-forward value of the Las Huaquillas Property through ownership of the Fidelity Securities.

The Concession

Imperium applied for and was granted the Concession by the Ministerio de Energia Y Minas of Peru in November of 2017. Pursuant to Peruvian Mining Law:

1. Mineral claims (each, a "**Claim**") are awarded according to the grid-based system as single Claims for exploration and exploitation. They can be granted for metallic and non-metallic minerals and no overlap between them is allowed. Exploration and exploitation work may be initiated once the title to the Claim has been granted, except in those areas of overlap with Claims pre-dating December 15, 1991. Upon completion of the title procedure, resolutions awarding title must be recorded with the public registry to create enforceability against third parties and the state.

2. In order to maintain a Claim in good standing, the holders must comply with the payment of a license fee equal to US$3.00 per hectare per year under the general regime, small-scale miners pay US$1.00 per hectare and artisan miners pay US$0.50 per hectare. Currently, the Corporation does not qualify as a small-scale miner, therefore, the general regime applies. However, the Corporation does have an active application for small-scale miner status with the Peruvian authorities.

3. Claim holders must reach an annual production of US$100.00 per hectare in gross sales within six years from the beginning of the year following the date title was granted. If there is no production on the Claim within that period, the Corporation would have to pay a penalty of US$6.00 per hectare under the general regime during the years seven through 11. Small-scale miners and artisan miners are subject to reduced penalties for no production of US$1.00 per hectare and US$0.50 per hectare, respectively, during years seven through 11. From the 12th year onwards, the penalty increases to US$20.00 per hectare under the general regime. Claim holders are exempt from the penalty if exploration expenditures incurred during the previous year equalled at least 10 times the amount of the applicable penalty.

4. Failure to pay the license fee or the penalty for two consecutive years results in the forfeiture of the Claim.

5. Mineral rights and surface rights in Peru are severed:

    a. Mineral rights are granted for an indefinite term and are freely transferable, in whole or in part, and can be optioned, leased or given as collateral or mortgage with no need for approval from any governmental agency. The only obligations in respect of the Government of Peru are the payment of the license and penalty fees.

    b. Surface rights are perpetual and can be transferred freely.

6. Mineral agreements (such as an option to acquire a mining lease or transfer a Claim) must be formalized through a deed issued by a notary public and must be recorded with the public registry to create enforceability against third parties and the Peruvian state.

Future Plans

In relation to the Property, the Corporation plans to conduct an initial evaluation as described in the Technical Report surveying the Property, mapping out all surface features, infrastructure and buildings. In addition, the Corporation will improve local access roads and harvest and ship any existing extracted ore to a local mill. Once initial evaluation is done, the Corporation intends to commence surface exploration activities, including detailed surface geological mapping, geophysics testing, surface channel sampling and limited drilling.

Trends

There are significant uncertainties regarding the prices of gold and silver and other minerals and the availability of equity financing for the purposes of mineral exploration and development. For instance, the price of gold, silver and other minerals has fluctuated widely in recent years and these fluctuations are expected to continue. Apart from this risk, and the risk factors noted under the heading "*Risk Factors*" we are not aware of any other trends, commitments, events or uncertainties that would have a material adverse effect on our business, financial condition or results of operations.

SAN VICENTE PROPERTY

The Technical Report

George C. Sharpe of Mineral Exploration Services, who is a "Qualified Person" as defined in NI 43-101 and independent of the Corporation, completed the Technical Report on February 14, 2018. The Technical Report recommends that the Corporation conduct a two phase exploration program comprised of: (i) Phase One; and (ii) Phase Two. Phase One will be divided into two parts, with the first part consisting of initial evaluation, survey of Property, map out surface, infrastructure and improve local access roads (estimated cost of $50,000 to $75,000) and the second part consisting of detail surface and geological mapping, Geophysics, channel sampling and drilling (estimated cost of $125,000 to $175,000). The estimated budget for completing both parts of phase one is $175,000 to $250,000, with an expected time frame of 10 months. As of the date hereof, no approximate budget has been calculated for Phase Two.

To date, exploration at the San Vicente Property has consisted of surface and underground mapping, mining exploration drives along structures and channel sampling of exploration drives. The surface and underground mapping identified three (3) mineralized structures (MZ1, MZ2 and MZ3) with the MZ1 and MZ2 structures possibly linking up at the western portion of the Property. See "– *Mineralization*". Exploration conducted on the Property by SMRL produced 187 samples from 66 channels, identifying three mineralized structures (MZ1, MZ2 and MZ3). Lida's future exploration activities will partly depend on the exploration activities conducted by SMRL; however, not enough samples were taken by SMRL to be able to properly evaluate the Property. The Corporation will strive to supplement the activities conducted by SMRL with the planned Phase One activities in order to fully and finally evaluate the San Vicente Property.

Unless stated otherwise, the information in this section is summarized, compiled or extracted from the Technical Report. The Technical Report was prepared in accordance with NI 43-101 and has been filed with the securities regulatory authorities in Alberta, British Columbia and Ontario. Portions of the following information are based on assumptions, qualifications and procedures which are not fully described herein. The Technical Report is available for review under the Corporation's profile on the SEDAR website at www.sedar.com.

Property Description and Location

The San Vicente Property is located approximately 120 kilometres east of the coastal city of Trujillo, Peru in the district of Agallpampa, Province of Otuzco in the department of La Libertad. Peru covers an area of 1,285,216 square kilometres with a population of 29.5 million. Its economy reflects its varied geography, with an arid coastal region, the Andes further inland and tropical lands bordering Colombia and Brazil to the east. Abundant mineral resources occur in the Andes (copper, zinc, lead, gold and silver) and in the coastal regions there are petroleum and natural gas resources. Other natural resources include iron ore, coal, phosphate and potash.

Access to the Property is 70 kilometres by paved road to the community of Otuzco and then a combination of gravel and clay roads to Chota where the Property is located. Otuzco and the community of San Vicente Bajo La Union, which is in close proximity to the Property, are capable of providing basic services and amenities in the support of mineral exploration activities. The Property is located in the occidental part of the Tertiary Volcanic Belt of the Western Cordillera and is underlain by rocks of the Calipuy Formation, a precious and base metals metallotects formation found in Peru. The Calipuy Formation is the product of post tectonic volcanism in the Cordillera region. It represents the effusive magmatism that followed the final emplacement of the Costal Batholith. At the San Vicente Property, the Calipuy Formation consists of andesite as a massive greenish grey fine to intermediate grained rock with local millimetric sized feldspathic phenocrystals and Andesite tuff which is greenish grey to purple in colour with a fine grained matrix.

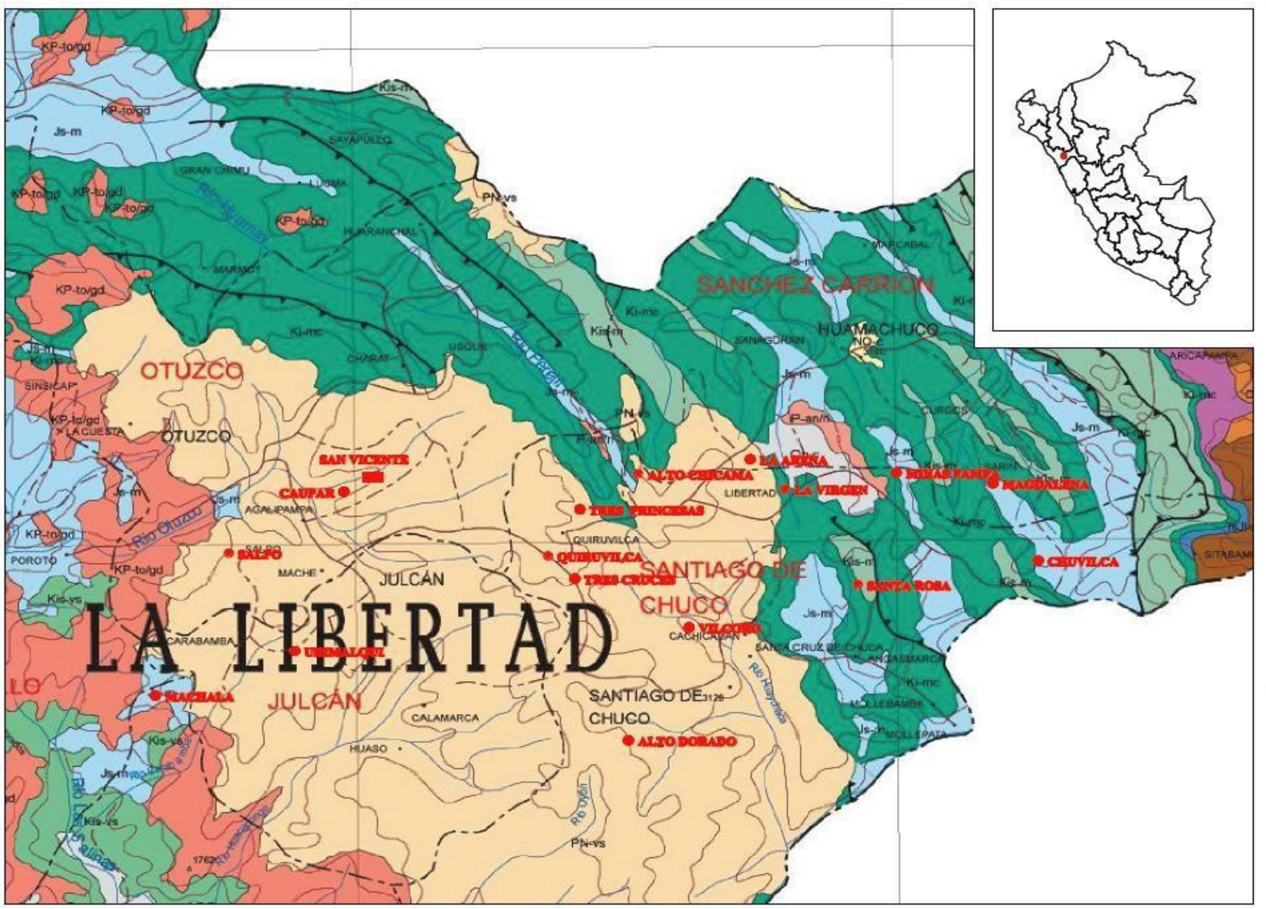


Figure 1: Property Location Map

The San Vicente Property consists of one Claim, which makes up the Concession. The Claim gives the title holder the right to explore and exploit metallic minerals within the bounds of the Concession, subject to the payment of the annual fees established by Peruvian Mining Law.

			Location		
Concession	Area (Hectare)	District	Province	Department	Record

SMRL Lado	200.00	Agallpampa	Otuzco	La Libertad	10014602

Figure 2: Summary of Concession Details

Lida has an agreement in place with the local community (San Vicente Bajo La Union) for surface rights of 2,500 metres surrounding the mine opening. The agreement gives Lida a permit for surface use for a period of 20 years. The rest of the surface rights are held by the communities of San Vicente Bajo La Union and San Vicente Alto La Union. The majority of the ground in the Concession is controlled by San Vicente Bajo La Union. Lida is in discussions to obtain further surface rights from the community of San Vicente Bajo La Union so that a new mine access can be forged approximately 80 metres below the current level.

According to records of the Ministerio de Energia Y Minas of Peru, the Concession is in good standing. Following staking of the Claim, all required annual and maintenance payments for 2018 were satisfied. The maintenance payments for this concession (2018-2019) have been paid to the 30th of June, 2019, such payments equalled US$4,600 and are included in the Corporation's working capital deficiency.

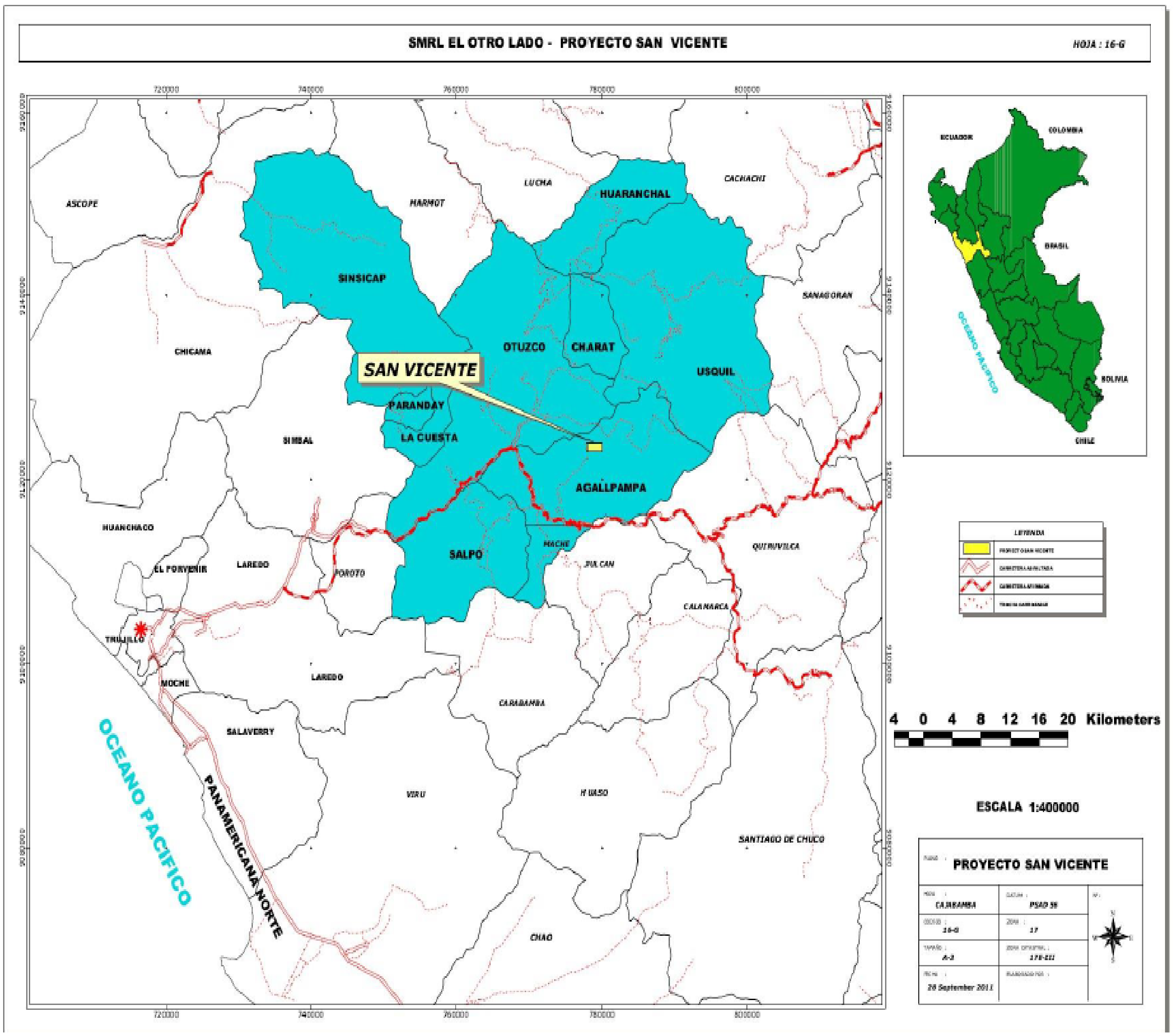


Figure 3: San Vicente Property Location Map (Exploration Claim 10577)

History

The Concession was previously registered to SMRL. On July 20, 2009, SMRL was bought by Jose Rodriguez Pisan (99%) and Vanessa Contreras Mendoza (1%) for a total of 3,000 soles (approximately $1,000). On March 5, 2018 SMRL sold the Concession to Imperium. A 2011 survey of the area where the main access was driven was carried out by Gonzalo L. Espejo Horna of SEGGISTEM S.R.L. In this survey two points were located using GPS and then a total station was used to carry out the survey. GPS was also used during the geological mapping process. All minerals documented in this initial GPS report are within the boundaries of the Concession. However, for the purpose of geophysical surveys or drilling campaigns in the Phase One and Phase Two programs, a more accurate survey will be required as the current survey is only based on two survey base stations located by GPS.

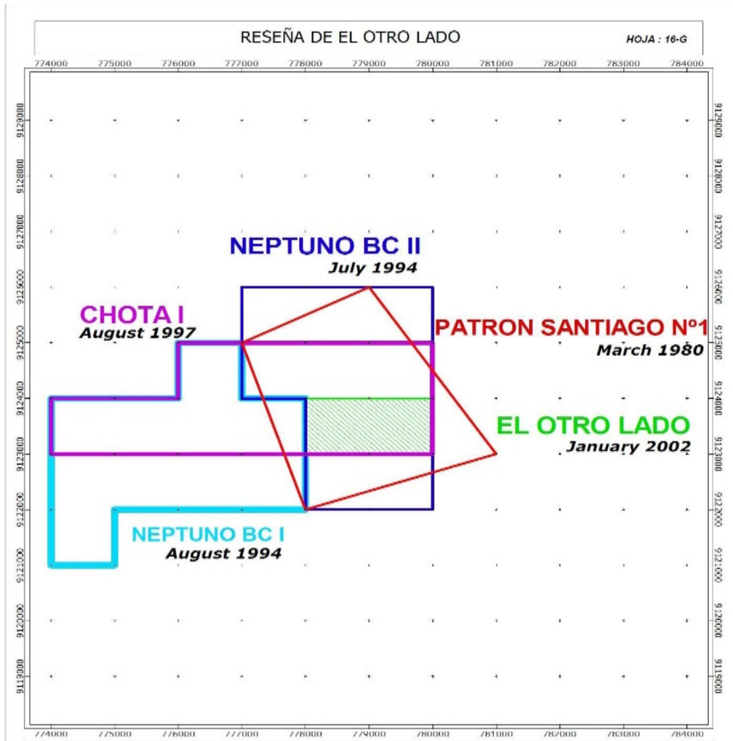


Figure 4: Historic concessions in the area of the Concession

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The San Vicente Property is situated in the upper part of the Moche river basin at altitudes that vary between 3,100 metres to 3,400 metres above sea level. The topography consists of moderate relief, ranging from hilly to flat. The slopes are typically covered with small brush and grasses which constitute natural pasture. Trees (predominantly eucalyptus) can be found growing in all areas and vegetables are grown through subsistence farming.

From Trujillo, the Property is accessed via the districts of Laredo, Samne and Agallpampa to the town of Chota. From Chota, an unpaved two kilometre long road leads to the Property. It takes approximately two hours to travel from Trujillo to the Property. Access to the San Vicente Property is considered good along the paved road that leads to Otuzco; however, after Otuzco the road is of poor quality.

The Property is located in a moderately populated area where small villages are scattered within the landscape. The nearest village (Chota) has a population of less than 500 inhabitants and is located approximately two kilometres Southwest of the Property. No modern amenities exist in Chota or nearby. The small villages of Huarush and San

Vicente are located within the boundaries of the Concession and the area surrounding the Concession is characterized as rural, with an economy dominated by agriculture. As the San Vicente Property is situated approximately 10,000 feet above sea level, crops are restricted to potatoes, vegetables and some cereals.

Climatically, the region is characterized by dry and cold temperatures between May to October while from November to April, the climate is warmer with frequent rain. Exploration and surface activities can get disrupted during the rainy season.

There is 220 volts of electricity installed at the Property. Larger voltage installations power other projects in the area and could be extended to the San Vicente Property mine when and if necessary. Water is readily available all year around from streams that run through the Property. However, to date this water has not been used in the extraction process.

Royalties

Peru established a sliding scale mining royalty in 2004. The royalty is payable monthly and is based on the value of the concentrate sold (or its equivalent) using international metal prices as the base for establishing the value of metal. The sliding scale is applied as follows:

1. First stage: up to US$60 million annual value; 1.0%.
2. Second stage: in excess of US$60 million up to US$120 million annual value; 2.0%.
3. Third stage: in excess of US$120 million annual value; 3.0%.

Fees, indirect taxes, insurance, transportation costs, warehousing, port fees as well as other costs for exportation and international commerce are deducted from the calculation of the royalty.

Environmental Affairs

The Ministry of Energy and Mines is the responsible authority for all environmental matters related to the mining and extraction of natural resources in Peru. The holder of a producing concession is liable for any emissions resulting from mineral extraction activities. Additionally, the Ministry of Energy and Mines prescribes the maximum permissible discharge of effluents (volume and quality) for each mining operation. A detailed description of Peru’s environmental regulations can be found on the Ministry of Energy and Mines website (www.minem.gob.pe).

Generally, the Ministry of Energy and Mines requires exploration and mining companies to prepare an Environmental impact statement, a program for environmental management and adjustment and a mine closure plan. Mining companies are also subject to annual environmental audits of their operations by the Organismo Supervisor de la Inversion en Energia y Mineria. A mining company that has completed its exploration stage work program must submit an environmental impact statement or a modified environmental impact statement either when applying for a new mining or processing concession, increasing the size of existing processing operations by more than 50% or executing any other changes to an existing mining project that results in a greater than 50% change in the mining rate or expected profit. Mining companies must also prepare and submit closure plans for each component of its operations. The closure plan must outline what measures will be taken to protect the environment over the short, medium and long-term from solids, liquids and gases generated by the mining operation. Peruvian Mining Law has in place a system of sanctions or financial penalties that can be levied against a mining company which is not in compliance with applicable environmental regulations.

Lida has applied for a license to operate as a small mining company as of November 2017. This license is currently in application and is awaiting pending approval. An environmental impact statement was written for the San Vicente Property and was originally submitted to the Direccion Regional De Energia y Minas La Libertad on May 26, 2010, and renewed in 2017. Recent meetings with the Direccion Regional De Energia y Minas La Libertad revealed that approval of the environmental impact statement is still pending approval. Approval is expected to be granted following one final study showing the approval of the local community (San Vicente la Union parte Baja) in respect of the project. This study is in progress and should be completed shortly.

Aboriginal Affairs

Community relations are an important issue in Peru, since most of the mining activities are located in rural and mountainous areas. Often the local communities have surface rights in these mining areas. Therefore, it is important to manage good relationships with these communities to obtain necessary permission to use the land on their properties for mining purposes. Agreements with the land holders is a requirement to obtain an operating license for mining activities. In the case of the Corporation, the surface owner is an individual and not a community and the Corporation has entered into a notarized contract with such surface owner for the use of the land. In addition, the Property is located in an area where there are no communities and, as a result, the Corporation does not expect there to be any issues or possible contingencies related to the use of Property.

Historical Exploration

Much of the historical data provided in this Prospectus was prepared by geologists on behalf of the prior holders of the Concession, including, but not limited to, Luc Pigeon of Gateway Solutions S.A.C in. The historical estimates disclosed in this Prospectus have been provided for context and readers are cautioned that neither the Technical Report nor the Corporation can confirm its relevance or reliability. Phase One and Phase Two operations are needed to upgrade and verify the historical estimates disclosed herein. Certain relevant information with respect to the Property presented in the Technical Report and summarized herein is based on data derived from reports written by geologists who may or may not be "qualified persons" (as defined in NI 43-101). The author has made every attempt to accurately convey the content of those reports, but cannot guarantee either the accuracy, validity, or completeness of the data contained within those files. However, it is believed that these reports were written with the objective of presenting the results of the work performed, without any promotional or misleading intent.

Prior to the involvement of SMRL, the Concession had been staked three times. The first time the area was claimed was by Roberto Espejo Alvarez in March 1980 under the title Patron Santiago Nol. He claimed a total of 900 hectares which covered the Concession. In 1986 and 1987, an aggregate of 100 tonnes of minerals were extracted from the Concession. The grades associated with these extracted minerals were not recorded; however, the resources as calculated and submitted by Roberto Espejo Alvarez in 1986 quoted 330 tonnes with a grade of 1.9% of lead, 5.32% of zinc and 15.30 ounces of silver. After Roberto Espejo Alvarez lost the Concession due to abandonment, the area was next picked up by Julio Washington Cabrera Melendez and Adolfo Bueno Leon in August 1994 under the title Neptuno BCII. It is unknown if the holders did any work on the Concession; however, in May 1997 the Concession was lost due to non payment of fees in 1996.

Geological Setting and Mineralization

Regional Geology

The Property is located within the Cordillera Occidental part of the Tertiary Volcanic Belt of the western Cordillera morpho-structural and tectonic units of northern Peru. It is underlain by volcanic rocks of the Calipuy Formation (one of the most important precious and base metals metallotects in Peru). The volcanic rocks of the Calipuy Formation are the product of a post tectonic volcanism and represent the effusive part related to the definite emplacement of the Coastal Batholith. The volcanics of the Calipuy Formation are flanked to the Southwest by the Costal Batholith and to the northeast by a thick series of sedimentary rocks. The Calipuy Volcanics are comprised of more than 1.2 kilometres of intercalations of rhyolitic to andesitic flows, fine grained to lapillis-blocky tuff, volcanic derived sediments and sub-volcanic hypabissal intrusive with pervasive hydrothermal alteration. The volcanics are deposited in sub-horizontal layers gently folded in a series of weakly dipping (10-20°) synclines and anticlines. The dominant structural feature affecting the rocks of the region is one associated with the Andean trend which is characterized by a complex network of northwest to southeast and northeast to Southwest trending lineaments and major northeastern trending structures.

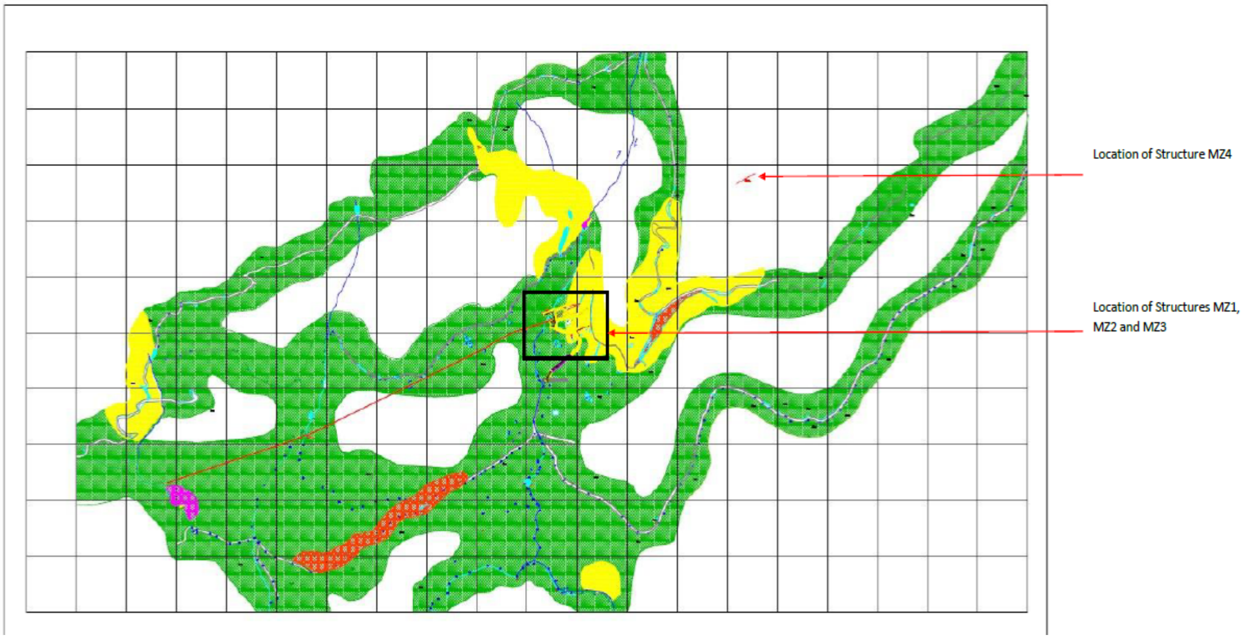


Figure 5: Regional Geological Map

Property Geology

The San Vicente Property is located within an area of extensive regional sub-aerial volcanic cover. The local geology is dominated by sub-horizontal Tertiary Calipuy Group volcanic rocks. The Calipuy Group is the product of post tectonic volcanism in the Cordillera region and is host to several metallic mineral deposits. It represents the effusive magmatism that followed the final emplacement of the Costa Batholith. The rocks are mostly of andesitic composition consisting of thick andesite flows interbedded with andesitic breccias, andesitic tuffs, conglomerates and other associated pyroclastic deposits.

Several small stocks, sills and dykes intrude the Cretaceous sedimentary rocks and Tertiary volcanic rocks. The deep-seated intrusions are usually diorites, tonalities and granodiorites that are correlated to the northern extension of the Costal Batholith. Several porphyritic, dacitic and andesitic hypabyssal bodies outcrop in the area especially within zones of structural weaknesses such as fold hinges and regional scale faults. These intrusions are commonly associated with metallic mineralization. These rocks commonly intrude the Calipuy volcarioclastic rocks.

The Property is located within a mineralized belt extending from the Cordillera Negra. Mineralization occurs as fracture filling quartz carbonate veins that contain elevated concentrations of lead, silver, copper and zinc but can also be characterized with anomalous gold and antimony values. Surface mapping found intermittent veining on the surface. The continuation of the veins on surface could not be seen as the only areas that the veins cropped out were streams that had cut into the underlying rocks. Sub surface exploration drifts did cut the structures and have been followed to a distance of 75 metres in some cases.

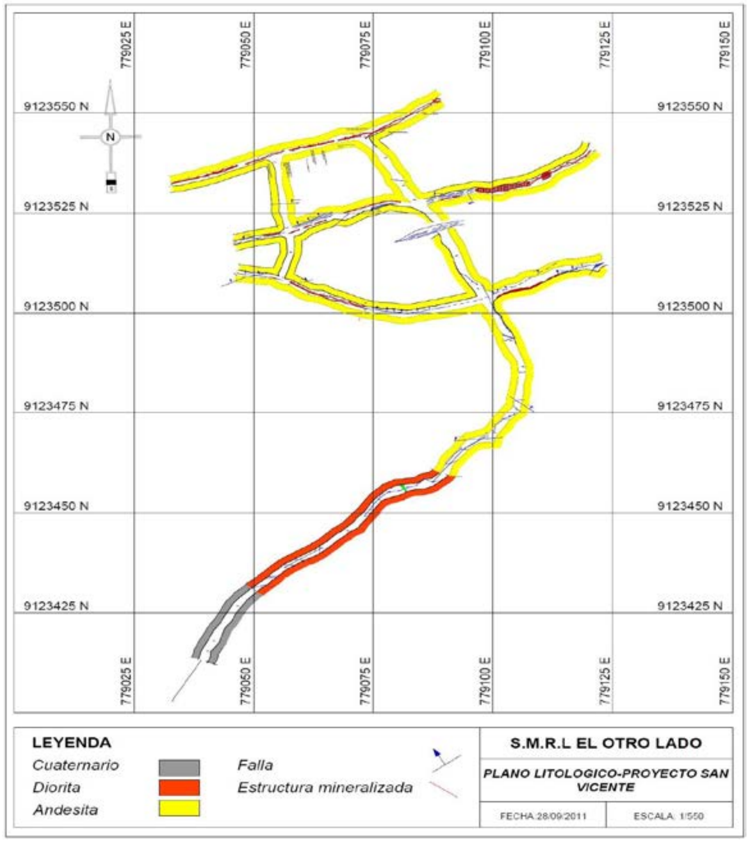


Figure 6: Underground Mapping of Mineralized Structures and Lithologies

Mineralization

Various areas of mineralization exist within the Concession. The main mineralized areas identified to date are comprised of a series of closely spaced narrow veins that strike Northeast-Southwest. These veins have been mined along the strike for approximately 75 metres on the 100 level of the mine and the veins can be traced intermittently on the surface over a total distance of 825 metres.

Of all the mineralized structures identified at the San Vicente Property to date, only three are described in detail within the Technical Report, these are the mineralized structures that have been cut with exploration drives in the mine. The three structures are: (i) MZ1; (ii) MZ2; and MZ3. The three mineralized structures are located within a plagioclase porphyritic sub-volcanic andesite member of the Tertiary Lower Calipuy Group of volcanic rocks. MZ4 was encountered in January of 2011 and is also described in this section as it appears to be gold bearing, unlike the other base metal veins.

Mineralized Zone 1 (MZ1)

The majority of information used to describe MZ1 in the Technical Report is derived from the sampling and mapping of the Property undertaken by Luc Pigeon of Gateway Solutions S.A.C. in June of 2009.

MZ1 is only observed in the exploration drift within the mine, it is not observed on the surface. In the mine, the 100 gallery was driven Northeast and Southwest from the main access, for a total of 80 metres along the MZ1 structure. To date, the only accessible areas of MZ1 have been along the western ends of the structure's strike. In this area, it was found that the width of the mineralized structure was between 30 to 70 centimetres and contained gouge and sulphides (galena, sphalerite and pyrite). No channel samples have been taken in this area; however, from a previous technical report on MZ1, the structure was described from where it cut the main access as having a width of 15 to 20 centimetres and massive black sphalerite surrounded by a 0.80 to 1.10 metre-wide mineralized in-situ clast supported breccia zone, which is characterized by sub-angular to angular andesite clasts.

From mapping, it was observed that the country rock (andesite) of MZ1 had undergone moderate propylitic alteration and contained up to 10% of very fine grained pyrite crystals that did not appear to be related to the silver, zinc and lead mineralizations.

Mineralized Zone 2 (MZ2)

MZ2 is observed in exploration drifts and on the surface. On the surface, MZ2 has a width of between 0.9 to 1.10 metres and consists of a structure similar to MZ1. The surface is oxidized and consists of secondary iron carbonates and oxides. Bright yellow jarosite is present, along with secondary iron carbonates and oxides. In the mine, the 120 gallery was driven to the Northeast and Southwest from the main access, for a distance of 78 metres. Above the 120 gallery a sublevel was driven along the MZ2 structure for a distance of 41 metres. The mineralization within MZ2 has a width of 15 to 20 centimetres and a massive black sphalerite surrounded by a 0.80 to 1.20 metre-wide mineralized (galena, sphalerite, pyrite) in-situ clast supported breccia zone, which is characterized by sub-angular to angular andesite clasts. On the main level, 12 channel samples were taken in the Southeast part of the vein and eight channel samples were taken on the sublevel above the main 120 gallery. Not all of the main drives along the 120 gallery could be sampled, as parts of the drive were mined into the roof.

Mineralized Zone 3 (MZ3)

MZ3 is only observed in exploration drifts. It is the only structure that could be sampled along its entire length on the main level (gallery 130) and two sublevels above. In the mine, the 130 gallery was driven to the Northeast and Southwest from the main access, for a distance of 60 metres. Above the 130 gallery, the first sublevel was driven for a total of 55 metres and the second sublevel was driven for a distance of 36 metres. On the main level the vein had an average width of 0.26 metres, on the first sublevel the average width of the vein was 0.17 metres and the vein width for the second sublevel was not calculated, as the vein could not be followed as a continuous structure. Unlike MZ1 and MZ2, only 30% of MZ3 had a mineralized in-situ clast supported breccia zone and it contained much less gouge.

Mineralized Zone 4 (MZ4)

Currently, it is Lida's intention to make arrangements with the current surface rights holders to obtain permission to access the areas to be explored in the initial program and Phase One and to acquire permits to carry on the more advanced work (Phase Two) when and as required.

Deposit Types

The Property is located within a well known Miocene Oligocene epithermal silver and gold metallogenic belt in Northern Peru. The Yanacocha, Lagunas Norte and Quiruyilca mines are world class deposits located within this belt. Based on the current geological knowledge of the San Vicente Property, the mineralization fits the igneous hosted poly metallic veins of silver, lead, zinc and gold deposit types.

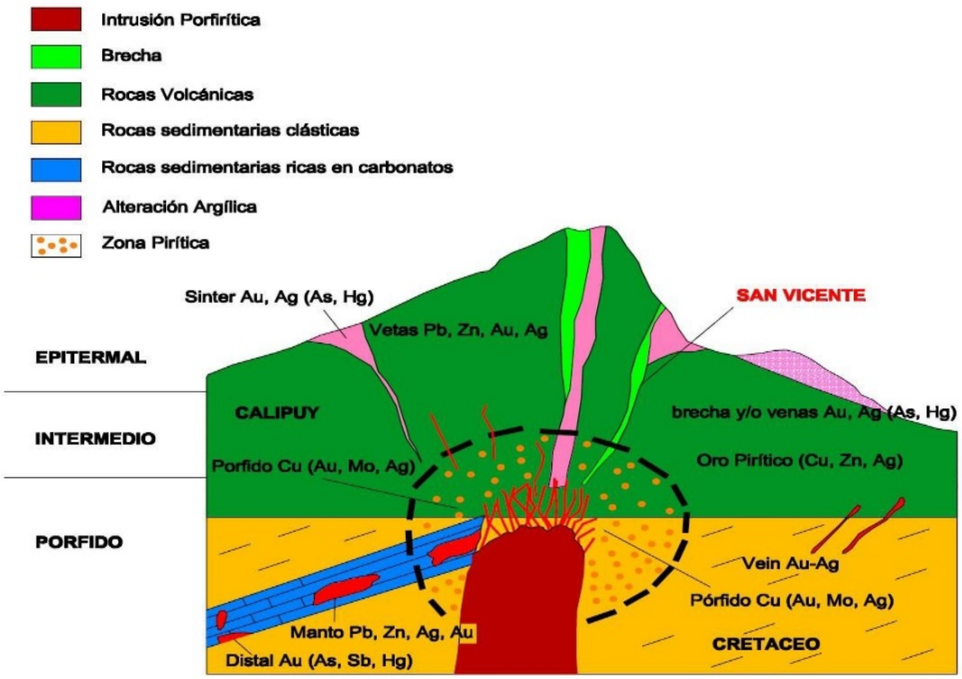


Figure 7: Schematic Representing the Relationship Between various hydrothermal deposit Types

The San Vicente Property host rocks are also characterized by widespread disseminated pyrite mineralization, which the Technical Report describes as having appeared to form earlier in the paragenetic sequence. The Technical Report goes on to note that the occurrence of a diorite dyke a few metres from the polymetallic mineralization may explain this pyrite dissemination and also opens the potential for other types of mineralization, such as porphyry mineralization. The Cretaceous sedimentary rocks of the area are also hosts to skarn and manto type deposits. Further research is needed to fully appreciate the Property's potential and pinpoint the exact deposit types.

Exploration

Exploration to date consists of:

1. **Surface mapping**

Surface mapping of the area was completed by SMRL's geologists in August and September of 2011. The data recovered from surface mapping was generally limited to exposures in streams and along tracks that had been cut out of the hillsides by local farmers. Most of what was mapped was weathered volcanic and intrusive rock types. Not all areas in the Concession area were accessible, as some landowners refused access to their lands.

2. **Underground mapping**

Underground mapping is complete for the 100 level and the 105 and 110 sublevels. The geological mapping was completed from 2009 to 2011 by various geologists. The underground mapping shows three mineralized structures (MZ1, MZ2 and MZ3).

3. **Surface sampling**

Surface samples were taken in the past but cannot be reported as the areas in which the samples were taken were not recorded properly. Future surface sampling requires coordination with the local community. Phase One trenching will be completed across the projected areas of structures in coordination with the local community and the surface rights holders.

4. **Underground sampling**

Various sampling campaigns have taken place in the underground mine to sample vein and wall material. Only the results from the latest sampling campaign have been considered in the Technical Report, as previous sampling campaigns did not use a recognized laboratory for assaying.

Drilling

The Corporation has not conducted any drilling on the San Vicente Property to date, and therefore drilling is not included in the Technical Report.

Sample Preparation, Analyses and Security

The potential mineral quantities and grades disclosed herein are, unless otherwise indicated, derived from the Technical Report and are conceptual in nature. As of the date of this Prospectus, there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the Property being delineated as a mineral resource.

MZ1

One channel sample was taken for MZ1 in June of 2009 where the vein cuts across the main access. The vein would later be developed along the 100 gallery to the Northeast and Southwest. The channel sample taken returned values of gold (12.47 ounces/tonne), zinc (5.45%), lead (3.94%) and antimony (greater than 1%). When SMRL personnel started a sampling campaign in 2011 it was found that the 100 gallery was full of broken material from MZ2 and MZ3. In areas where MZ1 was still accessible, the roof was deemed too high to sample safely.

MZ2

SMRL personnel took 12 channel samples on the 100 level of the 120 gallery and 8 channel samples on the 105 sublevel located directly above the 120 gallery. The Technical Report notes that the samples taken on the 100 level are located at the Northeastern end of the structure and that the latest samples taken were wasted as the structure pinched out. For the section of the vein where mineralization was present, the average width was calculated to be 0.20 metres with average grades of gold (0.18 gram/tonne), silver (20.10 ounce/tonne), zinc (6.35%), lead (11.10%), copper (0.05%), antimony (0.90%) and manganese (4.54%). Mapping evidences that the vein opens along strike; however, these areas were not available for sampling as the roof was deemed to be too high, which may have some relevance on why there are low metal values in the immediate footwall compared to the hanging wall in sampling.

MZ3

SMRL personnel took 27 channel samples on the 100 level in the 130 gallery, 20 channel samples on the 105 sublevel located directly above the 130 gallery and 12 channel samples on the 110 sublevel located directly above the 105 sublevel. This was the only structure that could be sampled along its entire mined length by SMRL personnel. The following average results were obtained for MZ3:

- 100 sublevel – average width of 0.26 metres with average grades of gold (0.39 gram/tonne), silver (18.43 ounce/tonne), zinc (5.37%), lead (7.12%), copper (0.09%), antimony (1.67%) and manganese (8.82%).
- 105 sublevel – average width of 0.17 metres with average grades of gold (0.24 gold/tonne), silver (16.54 ounce/tonne), zinc (3.81%), lead (8.38%), copper (0.07%), antimony (1.25%) and manganese (7.13%).
- 110 sublevel – the structure was discontinuous so an average grade of the structure could not be determined with the limited channel samples taken.

Data Verification

SMRL managed the channel sampling program from its inception. Only Inspectorate Services Peru S.A.C was used in the analysis of samples. The quality assurance / quality control program only consists of blanks (pulps and coarse blanks) and twin samples. The quality assurance / quality control program will be expanded to include coarse reject duplicates, pulp duplicates and standards as the program advances. Also a representative proportion of check samples of coarse duplicates, pulp duplicates, blanks and standards assayed by Inspectorate Services Peru will be sent to an additional certified laboratory. Sieve tests will also be carried out on a representative proportion of pulp samples.

Mineral Processing and Metallurgical Testing

The Corporation has not conducted any mineral processing or metallurgical testing at the San Vicente Property, and therefore mineral processing or metallurgical testing are not included in the Technical Report.

Mineral Resource and Mineral Reserve Estimates

Mineral resources and mineral reserves have never been estimated for the San Vicente Property, and therefore mineral resource or mineral reserve estimates are not included in the Technical Report.

Interpretation and Conclusions

The San Vicente Property consists of polymetallic mineralization hosted in sulphide bearing veins that form sub-vertical tabular orebodies which size and grade have yet to be determined in the third dimension. The mineralization is hosted in a clast supported andesite breccia displaying angular to sub-angular clasts that formed as a result of intense local brittle fracturing. The matrix is composed of calcite and / or rhodochrosite in the un-mineralized structures and of sphalerite and galena within the mineralized structures. The fragments are composed of altered (argillic and/or carbonate) porphyritic andesite.

The dominant structural feature of the region is that of the Andean trend which is characterized by a complex network of Northwest-Southeast and Northeast-Southwest trending lineaments. On the Property this trend is clearly demonstrated with mineralization within the MZ1, MZ2 and MZ3 structures. Several volcanic calderas are dotted around the Property such as that of the Caupar project being explored by Trinity mining. In the type of structural environment favoured by vein hosted epithermal deposits the veins typically crosscut volcanic sequences and follow volcano-tectonic structures such as caldera ring faults and other pre existing fault systems.

The Technical Report asserts that the sampling done by SMRL for metallurgical test work was not carried out correctly as it did not take into consideration wall rock material that dilutes the grade of the vein material. The results from the test work were good but for material of higher grade than the stockpiled material. This test work is not critical to the project in its current phase of exploration and proposed processing using the Quiruvilca processing plant will give usable data if the raw material is managed properly. The Technical Report found that no useful metallurgical data was recovered from processing mineral in the Virgen De La Puerta or Marlin processing plants as the tonnes and grades processed by both processing plants is questionable.

In conclusion the San Vicente Property has a vein hosted polymetallic deposit with unknown strike length which size and grade have to be accurately estimated before planning any complementary work regarding a possible commercial operation. It is also possible that other mineralization types exist on the Property. Processing of mineral taken from exploration drives by the Quiruvilca processing plant, if done correctly, will give metallurgical data useful for the project.

Recommended Work Program

The Technical Report recommends that the Corporation conduct a two phase exploration program comprised of: (i) Phase One; and (ii) Phase Two. The estimated budget for all of Phase One is $175,000 to $250,000, with an expected time frame of 10 months. As of the date hereof, no approximate budget has been calculated for Phase Two of the exploration program. The estimated budget for Phase One is as follows:

Stage 0			
Initial evaluation, survey Property, map surface infrastructure and improve access road	$50,000		$75,000
Stage 1			
Detail surface and geological mapping	$5,000	to	$10,000
Geophysics	$20,000	to	$25,000
Surface Channel Sampling	$5,000		$5,000
Drilling	$95,000	to	$135,000
Total	**$175,000**	**to**	**$250,000**

USE OF PROCEEDS

The Corporation will receive net proceeds of $540,000 from the Minimum Offering and net proceeds of $670,500 from the Maximum Offering after deducting the Agent's Commission. Total offering expenses excluding agents' commissions are estimated to be $167,500. The Corporation intends to use the available funds as follows:

Item	Minimum Offering ($)	Maximum Offering ($)
Funds Available		
Initial Public Offering (gross proceeds)	600,000	745,000
Agent's Commission	(60,000)	(74,500)
Working capital deficiency at May 31, 2019 (excluding asset held for sale)	(121,400)	(121,400)
Total Funds Available	**418,600**	**549,100**
Principal purpose for the use of Funds Available		
Balance of estimated costs of the Offering (including legal, audit and amounts due to the Agent, and applicable filing fees and listing fees) (1)	62,500	62,500
Project manager, qualified person or chief geologist and Peru staff	49,000	64,000
Exploration on the Property(2)	175,000	250,000
Estimated general and administrative expenses for 12 months	124,500	124,500
Unallocated working capital	7,600	48,100
Net Proceeds from Initial Public Offering	**418,600**	**549,100**

Notes

(1) Total estimated costs of the Offering are $167,500, of which $55,000 has been paid with proceeds from prior share issuances and $50,000 have been included in working capital. The total estimated costs are comprised of legal costs of $75,000, auditor costs of $30,000, Agent's expenses of $20,000, applicable filing fees and listing fees of $17,500, and the Corporate Finance Fee of $25,000.

(2) See "*San Vicente Property – Recommended Work Program*".

A breakdown of the estimated general and administration expenses for the 12 months following the Corporation becoming a public company is set out below:

General & Administrative Item	**12 months**
Audit	$20,000
Legal	$5,000
Management Fees (1)	$60,000
Rent and other office costs	$18,000
Shareholder communication	$7,500
CSE fees	$7,800
CSE monthly fee and SEDAR fees	$4,680
Other	$1,520
Total	**$124,500**

Notes

(1) The Corporation's NEOs will receive a management fees of $5,000 per month.

(2) Upon completion of the Offering, the Corporation's working capital available to fund ongoing operations will be sufficient to meet administrative costs and exploration expenditures for at least twelve months. The Corporation has had negative cash flow from its operating activities since its incorporation and expects to continue to have negative cash flow from its operating activities in the future. The Corporation's source of funds since incorporation has been from the sale of equity capital and the Corporation expects that equity capital will continue to be its source of funds in the future. See "*Risk Factors*" for further disclosure of the risk of negative cash flow from its operating activities.

The Corporation's business objectives using the available funds described above are focused on the San Vicente Property and will be used to support Phase One. The Corporation intends to complete Phase One as recommended under the Technical Report and, if warranted by the results from Phase One, to complete Phase Two, in which case the Corporation will need to obtain further financing.

The Corporation's unallocated working capital will be available for further exploration work on the Corporation's mineral properties, if such work is warranted based on results from the exploration programs currently planned. If not required for further work on the Property, those funds will be available for acquisition, exploration or development of other properties. The Corporation intends to spend the funds available to it as stated in this Prospectus however, where necessitated by sound business reasons, a reallocation of funds may be required.

SELECTED FINANCIAL INFORMATION

Summary of Annual Financial Information

The following table sets forth a summary of financial information for the Corporation for the period from incorporation August 31, 2018 and for the following six-month period ended February 28, 2019. This information has been summarized from the Financial Statements for the same period. This summary of financial information should only be read in conjunction with the Financial Statements, including the notes thereto, included with this Prospectus.

	Audited Period from Incorporation to August 31, 2018	**Six months ended February 28, 2019**
Mineral properties(1) (including Las Huaquillas Property reclassified to assets held for sale at November 30, 2018)	$1,878,085	$830,362
Total assets	$1,984,643	$900,496
Total revenues	Nil	Nil
Long-term debt	Nil	Nil
Exploration and evaluation costs	$131,181	$79,226
Other non-exploration and non-evaluation costs(2)	$118,869	$102,038
Net loss	$248,486	$53,522
Basic and diluted loss per share(3)	$0.01	$0.00

Notes:

(1) Mineral properties as at February 28, 2018 include $830,362 for the San Vicente Property. At August 31, 2018 the company’s properties included the Las Huaquillas property which was disposed of during the six months ended February 28, 2019. The San Vicente Property decline from $827,375 was due to foreign exchange as the functional currency of the Peruvian subsidiary is the Peruvian Sol.

(2) As at February 28, 2019 other non-exploration and evaluation costs include consulting expenses of $25,260 (August 31, 2018 - $62,885); professional fees of $65,692 (August 31, 2018 $44,930); general and administration expense of $8,924 as at (August 31, 2018 $4,968); travel expenses of $1,268 (August 31, 2018 - $5,298) and bank fees of $894 at (August 31, 2018 - $788),

DIVIDEND RECORD AND POLICY

Except for in respect of the Fidelity Transaction, the Corporation has not, since the date of its incorporation, declared or paid any dividends on its Common Shares. The Corporation intends to retain its earnings to finance growth and expand its operations and does not expect to pay any dividends in the foreseeable future. The Corporation does not currently have a policy with respect to the payment of dividends.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following MD&A should be read in conjunction with the Financial Statements and the related notes thereto included in this Prospectus. This discussion is current as of the date of this Prospectus. The Financial Statements and the financial information contained in this MD&A were prepared in accordance with IFRS.

The following MD&A contains forward-looking statements that involve numerous risks and uncertainties. Actual results of the Corporation could differ materially from those discussed in such forward-looking statements as a result of these risks and uncertainties, including those set forth in this Prospectus under "*Cautionary Statement Regarding Forward-Looking Information*" and "*Risk Factors*".

General

The Corporation was incorporated on September 8, 2017, to operate as a resource exploration company focused on the acquisition and exploration of mineral properties. The Corporation has selected August 31 as its fiscal year end.

All direct costs related to the acquisition of resource property interests have been capitalized. The Corporation has no operating cash flow and its level of expenditures is dependent on the sale of equity capital to finance its exploration operations. Therefore, it is difficult to identify any meaningful trends or develop an analysis from cash flows.

Liquidity and Capital Resources

The Corporation is in the exploration stage and, therefore, has no cash flow from operations. The Corporation's only source of funds since incorporation has come from the issuance of Common Shares. From the date of incorporation, on September 8, 2017, to August 31, 2018 the Corporation has raised $367,087 from the issuance of 6,561,334 Common Shares. An additional $104,005.00 was raised during the six month period ended February 28, 2019 by issuing an additional 2,019,119 Common Shares. Subsequent to February 28, 2019 the Corporation completed a series of private placements on March 8, 2019, March 22, 2019 and April 11, 2019 of 1,297,143 Common Shares for total proceeds of $90,800 at a price of $0.07 to subscribers pursuant to the exemptions from the prospectus requirements provided for under NI 45-106. The Corporation also issued 25,000,000 Common Shares as compensation for the acquisition of certain of its mineral properties. See "Description and General Development of the Business". As of the date of the Prospectus, there is a total of 34,877,596 Common Shares issued and outstanding. See "See "Description and General Development of the Business – Lida History – The Private Placements".

As at February 28, 2019, the Corporation had total assets of $900,496 (August 31, 2018 - $1,984,643), which are comprised of $7,397 (August 31, 2018 equalled $46,088) in cash, $62,737 (August 31, 2018 equalled $60,470) of prepaid expenses and receivables and $830,362 (August 31, 2018 - $1,878,085) of mineral properties. (See "Description and General Development of the Business – Fidelity Transaction"). The net proceeds to be raised from the Offering are expected to fund the Corporation's operations for the next 12 months, at a minimum. See "Description of the Business" and "Use of Proceeds".

The Corporation is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The recoverability of the amounts described in the Technical Report are dependent upon the existence of economically recoverable reserves, the ability of the Corporation to obtain the necessary future financing and future profitable production.

While the information in this Prospectus has been prepared in accordance with IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future, there are conditions and events that cast significant doubt on the validity of this presumption. The Corporation's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Corporation is making its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

Results of Operations

During the period beginning on incorporation and ending August 31, 2018, the Corporation's expenses equalled $248,846.00, of which $131,181.00 is attributed to exploration and evaluation costs, $62,885 was spent on consulting fees, $44,930.00 is attributable to professional fees $4,968 was spent on general and administrative expenses, $5,298 was spend on travel and $788 on bank charges. The professional fees of the Corporation consist of legal, accounting and audit fees, while its exploration and evaluation costs include geology fees, license fees, taxes and Claim fees, which are required to keep the Property in good standing.

Summary of Quarterly Results

The following financial data was derived from the Financial Statements of the Corporation:

The following table summarizes selected financial information from the Company's unaudited financial statements for the last eight quarters:

Quarter Ended	Total Revenues	Net Income (Loss)	Basic and Diluted Income (Loss) per Share
February 28, 2019	-	147,935	0.00
November 30, 2018	-	(94,413)	(0.00)
August 31, 2018	-	(160,712)	(0.01)
May 31, 2018	-	(52,266)	(0.00)
February 28, 2018	-	(33,456)	(0.00)
November 30, 2017	-	(2,412)	(3.62)
August 31, 2017	-	-	-
May 31, 2017	-	-	-

Note:

(1) Based upon the weighted average number of Common Shares issued and outstanding for the period.

Exploration Expenditures

PERIOD ENDED AUGUST 31, 2018

	San Vicente Property ($)	Las Huaquillas Property ($)	2018 ($)
Licenses, taxes, and Claim fees	35,219	23,359	58,578
Geology, lab and other fees	15,772	-	15,772
Camp operations	13,354	-	13,354
Professional fees	12,151	-	12,151
Transportation	10,438	-	10,438
Community relations	8,104	-	8,104
Management and consulting	6,625	-	6,625
Rent	2,943	-	2,943
Environmental expenditures	3,216	-	3,216
	$107,822	**$23,359**	**$131,181**

SIX MONTHS ENDED FEBRUARY 28, 2019

	San Vicente	2018	2017
Licenses, taxes, and claim fees	$ -	$ -	$ -
Geology, lab and other fees	5,379	5,379	-
Camp operations	11,966	11,966	-
Professional fees	11,779	11,779	-
Transportation	6,553	6,553	-
Community relations	24,390	24,390	-
Management and consulting	8,074	8,074	-
Rent	2,785	2,785	-
Wages and salaries	4,410	4,410	
Environmental expenditures	3,890	3,890	-
	$ 79,226	$ 79,226	$ -

Disclosure of Outstanding Security Data

As of the date of this Prospectus, the Corporation has 34,877,596 Common Shares issued and outstanding and Nil Options. The Corporation has no other securities issued or outstanding that are convertible into, or exercisable or exchangeable for, voting or equity securities of the Corporation.

Additional Disclosure for Junior Issuers

The proceeds raised under this Prospectus are expected to fund the Corporation's operations for at least 12 months. The estimated total operating costs necessary for the Corporation to achieve its stated business objectives during that period of time is $450,000, which includes the balance of the estimated costs of the Offering, estimated exploration expenditures on the Property and estimated general and administrative expenses. See "*Use of Proceeds*". The Corporation is not aware of any other material capital expenditures in the next 12 months.

Financial Instruments and Other Instruments

The carrying values of cash and cash equivalents and accounts payable approximate their fair values because of the short-term maturity of these financial instruments. The Corporation has no exposure to asset backed commercial paper.

Off-Balance Sheet Arrangements

The Corporation does not have any off-balance sheet arrangements and does not contemplate having them in the foreseeable future.

Use of Estimates

Preparing financial statements requires management to make estimates and assumptions that affect the reported results. The estimates are based on historical experience and other assumptions believed to be reasonable under the circumstances. Critical accounting policies are disclosed in the annual audited financial statements.

Transactions between Related Parties

Since the date of its incorporation, the Corporation entered into two purchase agreements with the Chief Executive Officer of Lida, who was the sole shareholder and director of the Corporation at the time of the transaction. The

Company entered into these agreements to acquire Imperium and Minera for the purpose of acquiring the San Vicente Property and 44.5% interest in Las Huaquillas Property. Of the total 25,000,000 Common Shares issued, 20,000,000 common shares were issued to the CEO. These Common Shares were valued at the fair value of the shares at the time of the transaction.

The San Vicente Agreements include an agreement between Imperium and Jose Rodriguez Pisan, a significant shareholder of Lida and key employee of Imperium. Mr. Rodriguez was paid consideration of US$50,000 in exchange for the transfer of his 50%, direct and indirect, interest in the San Vicente Property to Imperium.

During the six months ended February 28, 2019, the Company incurred $18,000 (2018 - $nil) of consulting fees to the CEO, as at February 28, 2019 the Company was indebted to the CEO for $nil.

Outlook

For the coming year, the Corporation's priorities are to complete the Offering, become a listed company on the CSE and commence Phase One activities. For more information in respect of the Phase One, see "*San Vicente Property – Recommended Work Program*".

There are significant risks that might affect the Corporation's further development. These include but are not limited to: (i) exploration programs that may not result in a commercial mining operation; (ii) negative cash flow from operations; (iii) the Corporation's ability to raise financing in the future for ongoing operations; (iv) market fluctuations in metal prices; (v) government regulations; and (vi) other conditions that may be out of the Corporation's control. See "*Risk Factors*".

Accounting Policies

A detailed summary of all of the Corporation's significant accounting policies is included in the Financial Statements for the period from incorporation to August 31, 2018. The Corporation, in consultation with its auditor, periodically reviews accounting policy changes implemented within its industry.

DESCRIPTION OF THE SECURITIES BEING DISTRIBUTED

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value, an unlimited number of Non-Voting Shares (as defined herein), an unlimited number of First Preferred Shares (as defined herein), issuable in series, and an unlimited number of Second Preferred Shares (as defined herein), issuable in series. At the date of this Prospectus, the Corporation has an aggregate of 34,877,596 fully paid Common Shares and Nil Non-Voting Shares, First Preferred Shares or Second Preferred Shares issued and outstanding.

Common Shares

The holders of Common Shares are entitled to receive notice of, and to vote at every meeting of the Lida shareholders and have one vote for each Common Share held. Subject to the rights, privileges, restrictions and conditions attaching to any preferred shares of the Corporation, the holders of Common Shares are entitled to receive such dividends as the directors of Lida from time to time, by resolution, declare. Subject to the rights, privileges, restrictions and conditions attached to any preferred shares of the Corporation, in the event of the liquidation, dissolution or winding-up of the Corporation or upon any distribution of the assets of Lida among Lida shareholders being made (other than by way of dividend out of monies properly applicable to the payment of dividends), the holders of Common Shares are entitled to share in the proceeds pro rata.

Non-Voting Shares

The holders of non-voting shares ("**Non-Voting Shares**") of Lida are entitled to receive notice of, and attend every meeting of the Lida shareholders. The Non-Voting Shares do not provide holders thereof with an entitlement to vote except at class meetings of the Non-Voting Shares at which holders are entitled to one vote for each Non-Voting Share held. Subject to the rights, privileges, restrictions and conditions attaching to the First and Second Preferred

Shares, the holders of Non-Voting Shares are entitled to receive such dividends as the directors of Lida from time to time. Subject to the rights, privileges, restrictions and conditions attached to the First and Second Preferred Shares, in the event of the liquidation, dissolution or winding-up of the Corporation or upon any distribution of the assets of Lida among Lida shareholders being made (other than by way of dividend out of monies properly applicable to the payment of dividends), the holders of Non-Voting Shares are entitled to share rateably with the Common Shares in the proceeds pro rata.

First Preferred Shares

Subject to filing articles of amendment in accordance with the CBCA, the Corporation is also authorized to issue an unlimited number of first preferred shares ("**First Preferred Shares**") without nominal or par value, of which, as at the date hereof, none have been issued. The First Preferred Shares may be issued in one or more series and the Board is authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions and conditions attached to the First Preferred Shares of each series. The First Preferred Shares have priority in liquidation or dissolution and the payment of dividends over the Common Shares, Non-Voting Shares, Second Preferred Shares and any other shares of the Corporation ranking junior to the First Preferred Shares.

Second Preferred Shares

Subject to filing articles of amendment in accordance with the CBCA, the Corporation is also authorized to issue an unlimited number of second preferred shares ("**Second Preferred Shares**") without nominal or par value, of which, as at the date hereof, none have been issued. The Second Preferred Shares may be issued in one or more series and the Board is authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions and conditions attached to the Second Preferred Shares of each series. The Second Preferred Shares rank junior to the First Preferred Shares, but are entitled, subject to the preference accorded to holders of the First Preferred Shares, priority over the Common Shares, Non-Voting Shares and any other class of shares ranking junior to the Second Preferred Shares to the payment of dividends and the distribution of assets upon the liquidation or dissolution of the Corporation.

Warrants

The Warrants will be created and issued pursuant to the terms of the Warrant Indenture. Each Warrant will be transferable and will entitle the Warrantholder to purchase one Common Share at a price of $0.25 per Common Share at any time up to the Expiry Time.

The Corporation will appoint **[•]** at its principal offices in Calgary, Alberta as the location at which the Warrants may be surrendered for exercise, transfer or exchange. Warrants may be exercised upon surrender of the certificates representing the Warrants on or before the Expiry Time to **[•]** along with the completed and executed notice of Warrant exercise form and accompanied by payment of the exercise price for the number of Common Shares for which the Warrants are being exercised.

Notwithstanding the Expiry Time, in the case of a Trigger Event, the Corporation may, in its sole discretion, by written resolution of the Board, accelerate the Expiry Date to the date that is 30 days from the Trigger Event.

The Warrant Indenture will provide for adjustment in the number of Common Shares issuable upon the exercise of the Warrants and/or the exercise price per Common Share upon the occurrence of certain events, including:

(a) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of the Common Shares by way of a stock dividend or other distribution;

(b) the subdivision, re-division or change of the Common Shares into a greater number of shares;

(c) the consolidation, reduction or combination of the Common Shares into a lesser number of shares;

(d) the issuance to all or substantially all of the holders of the Common Shares of rights, Options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for, or convertible into, Common Shares, at a price per share to the holder (or at an exchange or conversion price per share) of less than 95% of the "current market price" for the Common Shares on such record date; or

(e) the issuance or distribution to all or substantially all of the holders of the Common Shares of securities of the Corporation including rights, Options or warrants to acquire shares of any class or securities exchangeable or convertible into any such shares or property or assets and including evidences of indebtedness, or any property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events:

(a) reclassification, re-designation or other change to the Common Shares;

(b) consolidations, amalgamations, arrangements, mergers, or transfer of the undertaking or assets of the Corporation, in their entirety or substantially in their entirety with or into any other corporation or other entity; or

(c) the sale, lease, exchange or transfer of the undertaking or assets of the Corporation in their entirety or substantially in their entirety to another corporation or entity other than to a direct or indirect wholly-owned subsidiary.

No adjustment in the exercise price of the Warrants, or the number of Common Shares issuable upon exercise of the Warrants, is permitted, unless the cumulative effect of such adjustment or adjustments would result in a change of less than 1% of the exercise price of the Warrants or a change in the number of Common Shares purchasable upon exercise by of less than one-one hundredth of a Common Share, as the case may be.

The Corporation will covenant in the Warrant Indenture that, during the period that the Warrants are exercisable, it will give notice to Warrantholders of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants, or the number of Common Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date or effective date, as the case may be, of such event. With respect to any Warrants held, Warrantholders will not have any voting or pre-emptive rights, or any other rights which a holder of Common Shares may have.

Under the Warrant Indenture, the Corporation may from time to time, subject to applicable law, purchase, by invitation for tender, in the open market, by private contract on any stock exchange or otherwise, any of the Warrants then outstanding, and any Warrants so purchased will be cancelled.

The Warrant Indenture will provide that, from time to time, the Corporation and **[•]**, without the consent of the Warrantholders, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not prejudice the rights of any Warrantholder. Any amendment or supplement to the Warrant Indenture that would prejudice the interests of the Warrantholders may only be made by "extraordinary resolution", which will be defined in the Warrant Indenture as a resolution either: (i) passed at a meeting of the Warrantholders at which there are Warrantholders present in person or represented by proxy representing at least 10% of the aggregate number of the then outstanding Warrants (unless such meeting is adjourned to a prescribed later date due to a lack of quorum, at which adjourned meeting the Warrantholders present in person or by proxy shall form a quorum) and passed by the affirmative vote of Warrantholders representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution; or (ii) adopted by an instrument in writing signed by the Warrantholders representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants.

The foregoing is a summary of the material provisions of the Warrant Indenture, but is not, and does not purport to be, a complete summary and is qualified in its entirety by reference to the provisions of the Warrant Indenture.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires Units pursuant to this Offering. For purposes of this summary, references to Common Shares include both Common Shares comprising part of the Unit and the Common Shares underlying a Warrant, unless otherwise indicated. This summary applies only to a purchaser who is a beneficial owner of Common Shares and Warrants acquired pursuant to this Offering and who, for the purposes of the Tax Act, and at all relevant times: (i) is, or is deemed to be, resident in Canada for purposes of the Tax Act; (ii) deals at arm's length and is not affiliated with the Corporation or the Agent; and (iii) holds the Common Shares and Warrants as capital property (a "**Holder**"). Common Shares and Warrants will generally be considered to be capital property to a Holder unless they are held in the course of carrying on a business of trading or dealing in securities or were acquired in one or more transactions considered to be an adventure or concern in the nature of trade. A Holder whose Common Shares might not otherwise qualify as capital property may be entitled to make the irrevocable election provided by subsection 39(4) of the Tax Act to have the Common Shares and every other "Canadian security" (as defined in the Tax Act) owned by such Holder in the taxation year of the election and in all subsequent taxation years deemed to be capital property. Such election is not available in respect of Warrants. Holders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available and/or advisable in their particular circumstances.

This summary is not applicable to a Holder: (i) that is a "financial institution" (as defined in the Tax Act for the purposes of the mark-to-market rules); (ii) an interest in which would be a "tax shelter investment" (as defined in the Tax Act); (iii) that is a "specified financial institution" (as defined in the Tax Act); (iv) that has elected to report its "Canadian tax results" (as defined in the Tax Act) in a currency other than Canadian currency; (v) that has entered or will enter into a "derivative forward agreement" or "synthetic disposition arrangement" (as defined in the Tax Act) with respect to the Common Shares or Warrants; or (vi) that is a corporation resident in Canada and is (or does not deal at arm's length within the meaning of the Tax Act with a corporation resident in Canada that is), or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of Common Shares and Warrants comprising the Units, controlled by a non-resident corporation for purposes of section 212.3 of the Tax Act. **Any such Holder should consult its own tax advisor with respect to an investment in the Units.** In addition, this summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of Units.

This summary is based upon: (i) the current provisions of the Tax Act and the regulations thereunder ("**Regulations**") in force as of the date hereof; (ii) except as described below, all specific proposals ("**Proposed Amendments**") to amend the Tax Act or the Regulations that have been publicly announced by, or on behalf of, the Minister of Finance (Canada) prior to the date hereof; and (iii) counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**"). No assurance can be given that the Proposed Amendments will be enacted or otherwise implemented in their current form, if at all. If the Proposed Amendments are not enacted or otherwise implemented as presently proposed, the tax consequences may not be as described below in all cases. Other than the Proposed Amendments, this summary does not take into account or anticipate any changes in law, administrative policy or assessing practice, whether by legislative, regulatory, administrative, governmental or judicial decision or action, nor does it take into account the tax laws of any province or territory of Canada or of any jurisdiction outside of Canada.

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. Accordingly, Holders should consult their own tax advisors with respect to their particular circumstances.

Allocation of Cost

Holders will be required to allocate on a reasonable basis their cost of each Unit between the Common Share and the Warrant in order to determine their respective costs for purposes of the Tax Act.

For its purposes, the Corporation intends to allocate \$0.07 to each Common Share and \$0.03 to each Warrant. Although the Corporation believes that its allocation is reasonable, it is not binding on the CRA or the Holder.

The adjusted cost base to a Holder of each Common Share comprising a part of a Unit acquired pursuant to this Offering will be determined by averaging the cost of such Common Share with the adjusted cost base to such Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the acquisition.

Exercise of Warrants

No gain or loss will be realized by a Holder upon the exercise of a Warrant to acquire a Common Share. When a Warrant is exercised, the Holder's cost of the Common Share acquired thereby will be the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Common Share. The Holder's adjusted cost base of the Common Share so acquired on exercise of the Warrant will be determined by averaging such cost with the adjusted cost base (determined immediately before the acquisition of the Common Share) to the Holder of all Common Shares owned by the Holder as capital property immediately prior to such acquisition.

Expiry of Warrants

In the event of the expiry of an unexercised Warrant, a Holder generally will realize a capital loss equal to the Holder's adjusted cost base of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under "*Taxation of Capital Gains and Capital Losses*".

Dividends

A Holder will be required to include in computing its income for a taxation year any taxable dividends received or deemed to be received on the Common Shares.

Such dividends received by a Holder that is an individual (other than certain trusts) will be subject to the gross-up and dividend tax credit rules in the Tax Act normally applicable to dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit in respect of dividends designated by the Corporation as "eligible dividends". There may be limitations on the ability of the Corporation to designate dividends as eligible dividends.

In the case of a Holder that is a corporation, the amount of any such taxable dividend that is included in its income for a taxation year will generally be deductible in computing its taxable income for that taxation year. In certain circumstances a dividend or deemed dividend received by a Holder that is a corporation may be treated as a capital gain or proceeds of disposition. Holders should discuss with their own tax advisors in this regard.

A Holder that is a "private corporation" or a "subject corporation", as defined in the Tax Act, will generally be liable to pay a refundable tax under Part IV of the Tax Act on dividends received on the Common Shares to the extent such dividends are deductible in computing the Holder's taxable income for the year. A "subject corporation" is generally a corporation (other than a private corporation) controlled directly or indirectly by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts). In addition, pursuant to changes to the Tax Act that were introduced in the 2018 federal budget that was released on February 27, 2018 (the "**2018 Budget**"), such a Holder may be required to reduce its business limit on a straight-line basis to the extent that it, together with other corporations associated with it, receive certain investment income in an amount exceeding \$50,000 for a particular taxation year. Holders that are Canadian-controlled private corporations should consult their own tax advisors in this regard.

Dispositions of Common Shares and Warrants

A disposition or a deemed disposition of a Common Share (other than a disposition to the Corporation) or Warrant (other than a disposition arising on the exercise or expiry of a Warrant) by a Holder will generally result in the Holder realizing a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the Common Share or Warrant, as the case may be, exceed (or are less than) the aggregate of the adjusted cost base to the Holder thereof and any reasonable costs of disposition. Such capital gain (or capital loss) will be subject to the tax treatment described below under "*Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

A Holder will generally be required to include in computing its income for the taxation year of disposition, one-half of the amount of any capital gain (a "**taxable capital gain**") realized in such year. Subject to and in accordance with the provisions of the Tax Act, a Holder will be required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") against taxable capital gains realized in the taxation year of disposition. Allowable capital losses in excess of taxable capital gains for the taxation year of disposition may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances specified in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a Common Share by a Holder that is a corporation may, in certain circumstances, be reduced by the amount of dividends received or deemed to have been received by it on such Common Shares to the extent and under the circumstances specified in the Tax Act. Similar rules may apply where a Holder that is a corporation is a member of a partnership or a beneficiary of a trust that owns Common Shares or where a partnership or trust, of which a corporation is a member or a beneficiary, is a member of a partnership or a beneficiary of a trust that owns Common Shares. Holders to whom these rules may be relevant should consult their own tax advisors.

Other Income Taxes

A Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay a refundable tax on its "aggregate investment income" (as defined in the Tax Act) for the year, including taxable capital gains. In addition, pursuant to changes to the Tax Act that were introduced in the 2018 Budget, such a Resident Holder may be required to reduce its business limit on a straight-line basis to the extent that it, together with other corporations associated with it, receive certain investment income in an amount exceeding $50,000 for a particular taxation year. Resident Holders that are Canadian-controlled private corporations should consult their own tax advisors in this regard.

In general terms, a Holder that is an individual (other than certain trusts) that receives or is deemed to have received taxable dividends on the Common Shares or realizes a capital gain on the disposition or deemed disposition of Common Shares or Warrants may be liable for alternative minimum tax under the Tax Act. Holders that are individuals should consult their own tax advisors in this regard.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Corporation as at the dates indicated before and after giving effect to the Minimum Offering and Maximum Offering. This table should be read in conjunction with the Financial Statements contained in this Prospectus.

Description	Outstanding as at February 28, 2019	Outstanding as at the date of this Prospectus	Outstanding after the Minimum Offering	Outstanding after the Maximum Offering
Common shares	33,580,453	34,877,596	40,877,596(1)	42,327,596(2)
Share capital	$933,112(3)	$1,023,912	$1,563,912	$1,694,412
Long-term debt	Nil	Nil	Nil	Nil

Notes:

(1) Presented on an undiluted basis. Assuming completion of the Minimum Offering, on a fully diluted basis, the Corporation will have 43,877,596 Common Shares outstanding.
(2) Presented on an undiluted basis. Assuming completion of the Maximum Offering, on a fully diluted basis, the Corporation will have 46,052,596 Common Shares outstanding.

(3) Includes a reduction of capital of $1,288,000 related to the return of capital on the distribution of the Fidelity shares and warrants.

Stock Option Plan

The Corporation has adopted the Option Plan, which provides eligible directors, officers, employees and consultants with the opportunity to acquire an ownership interest in the Corporation and is the basis for the Corporation's long-term incentive scheme. The key features of the Option Plan are as follows:

- The maximum number of Common Shares issuable under the Option Plan shall not exceed 10% of the number of Common Shares issued and outstanding as of each award date, inclusive of all Common Shares reserved for issuance pursuant to previously granted Options.
- The Options have a maximum term of five years from the date of issue.
- Options vest as the Board of Directors may determine upon the award of the Options.
- The exercise price of Options granted under the Option Plan will be determined by the Board Of Directors, but will not be less that the greater of the closing market price of the Common Shares on the CSE on (a) the trading day prior to the date of grant of the Options; and (b) the date of grant of the Options.
- The expiry date of an Option shall be the earlier of the date fixed by the Board of Directors on the award date, and:
    (a) in the event of the death of the Option holder while he or she is a director or employee (other than an employee performing investor relations activities), 12 months from the date of death of the Option holder, or while he or she is a consultant or an employee performing investor relations activities, 30 days from the date of death of the Option holder;
    (b) in the event that the Option holder holds his or her Option as a director and such Option holder ceases to be a director of the Corporation other than by reason of death, 90 days following the date the Option holder ceases to be a director (provided however that if the Option holder continues to be engaged by the Corporation as an employee or consultant, the expiry date shall remain unchanged), unless the Option holder ceases to be a director as a result of ceasing to meet the qualifications set forth in section 124 of the CBCA or a special resolution passed by the shareholders of the Corporation pursuant to section 128(3) of the CBCA, in which case the expiry date will be the date that the Option holder ceases to be a director of the Corporation;
    (c) in the event that the Option holder holds his or her Option as an employee or consultant of the Corporation (other than an employee or consultant performing investor relations activities) and such Option holder ceases to be an employee or consultant of the Corporation other than by reason of death, 30 days following the date the Option holder ceases to be an employee or consultant, unless the Option holder ceases to be such as a result of termination for cause or an order of the Alberta Securities Commission, the CSE or any regulatory body having jurisdiction to so order, in which case the expiry date shall be the date the Option holder ceases to be an employee or consultant of the Corporation; and
    (d) in the event that the Option holder holds his or her Option as an employee or consultant of the Corporation who provides investor relations activities on behalf of the Corporation, and such Option holder ceases to be an employee or consultant of the Corporation other than by reason of death, the expiry date shall be the date the Option holder ceases to be an employee or consultant of the Corporation.

The Option Plan may be terminated at any time by resolution of the Board of Directors, but any such termination will not affect or prejudice rights of participants holding Options at that time. If the Option Plan is terminated, outstanding Options will continue to be governed by the provisions of the Option Plan.

Outstanding Options

As of the date of this Prospectus, there are Nil Options issued.

PRIOR SALES

Lida has issued the following Common Shares or securities convertible into Common Shares in the twelve-month period preceding the date of this Prospectus:

Date	Type of Security	Number of Securities	Price Per Security
Acquisition of property	Common Share	25,000,000	$0.07
November 1, 2018	Common Share	2,934,667	$0.03
November 1, 2018	Common Share	5,645,786	$0.07
Subsequent to February 28, 2019	Common Share	1,297,143	$0.07

ESCROWED SECURITIES

Escrowed Securities

In accordance with the Canadian Securities Administrators Policy 46-201 *Escrow for Initial Public Offerings* (the "**Policy**"), the Principals (as defined below) of the Corporation are required to deposit into escrow equity securities and any securities that are convertible into equity securities of the Corporation, that are owned or controlled by the Principals. "**Principals**" include all persons or companies that will, on the completion of the Offering, fall into at least one of the following categories: (i) directors and/or senior officers of the Corporation and any of the Corporation's operating subsidiaries; (ii) promoters of the Corporation; (iii) those who own and/or control more than 10% of the voting securities of the Corporation immediately after the completion of the Offering if they also have appointed or have the right to appoint one or more of the directors or senior officers of the Corporation; (iv) those who own and/or control more than 20% of the voting securities of the Corporation immediately after the completion of the Offering; and (v) associates and affiliates of any of the above. The Escrow Agreement provides that 10% of the Escrowed Securities will be released from escrow upon receipt of notice from the CSE confirming the listing of the Corporation's Common Shares on the CSE. The remaining ninety (90%) percent of the Escrowed Securities will be released from escrow in fifteen percent (15%) tranches at six month intervals over a 36-month period following receipt of such notice.

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:

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

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

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

(iv) ledges to a financial institution as collateral for a bona fide loan, provided that upon a realization the securities remain subject to escrow; and

(v) tenders of Escrowed Securities to a take-over bid, 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)	Offering Percentage (Minimum/Maximum) (After Giving Effect to the Offering)(2)
Leonard De Melt	18,298,222	44.76%/43.23%
Hugh Maddin	1,547,619(3)	3.79%/3.66%
Bob Bryce	667,000	1.63%/1.58%
Jim Clucas	667,000	1.63%/1.58%

TOTAL:	**21,179,841**	**51.81%/50.04%**

Notes:

(1) These shares have been deposited in escrow with the Escrow Agent.
(2) The aggregate number of issued and outstanding Common Shares before dilution is 34,877,596 Common Shares.
(3) Held indirectly through Cambrian Capital Corp., a private Alberta company wholly owned and controlled by Mr. Maddin.

PRINCIPAL HOLDERS OF COMMON SHARES

As of the date of this prospectus, to the knowledge of the directors and officers of the Corporation, no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to Common Shares except for the following:

Name	Prior to Offering		After giving effect to the Minimum Offering		After giving effect to the Maximum Offering	
	Number of Common Shares Beneficially Owned Directly or Indirectly	Percentage of Common Shares Held	Number of Common Shares Beneficially Owned Directly or Indirectly	Percentage of Common Shares Held	Number of Common Shares Beneficially Owned Directly or Indirectly	Percentage of Common Shares Held
Leonard De Melt	18,298,222	54.90%	18,298,222	44.76%	18,298,222	43.23%
Jose Rodriguez Pisan	5,000,000	15.00%	5,000,000	12.23%	5,000,000	11.81%

DIRECTORS AND OFFICERS

Details regarding the directors and officers of the Corporation as at the date of this Prospectus are as follows:

Name, Residence and Current Position with the Corporation	Date Appointed (1)	Principal Occupation or Employment during the Past Five Years (2)	Number of Common Shares (3)
Bob Bryce Montreal, Quebec, Canada *Director*	February 8, 2019	Mr. Bryce currently serves as a member of the boards of directors of Vision Lithium Inc., Q-Gold Resources Ltd. and of Knick Exploration Inc., which are all listed on the TSX Venture Exchange. Prior thereto, Mr. Bryce served as a director of several mining companies, including Integra Gold Corp. from 2003 to 2017.	667,000
Jim Clucas North Vancouver, British Columbia, Canada *Director*	February 8, 2019	Mr James (Jim) Clucas co-founded and has served as a member of the board of directors of INV Metals Inc., an Ecuadorian mining exploration company, since 2005. Prior thereto, Mr. Clucas served as the President and Chief Executive Officer of Search Minerals Inc. from June 2009 and	667,000

		January 31, 2015.	
Hugh Maddin Vancouver, British Columbia, Canada *Director*	February 8, 2019	Mr. Maddin has been a director of several publicly listed companies, including Mineral Hill Industries Ltd. from January 2005 to March 2013, Nass Valley Gateway Ltd. from April 2011 to September 2012, Karoo Exploration Corp. from September 2015 to February 2017 and Omega Gold Corp. since April 2018. In addition, Mr. Maddin has also been the Chief Executive Officer of several private companies with significant holdings in British Columbian mineral tenures.	1,547,619(5)
Leonard (Len) De Melt(4) North Vancouver, British Columbia, Canada *Director, President and Chief Executive Officer*	September 8, 2017	Mr. De Melt, is the President and Chief Executive Officer of the Corporation. Prior thereto, Mr. De Melt was involved with numerous junior international mining start-ups following his time as the Chairman of the board of directors of Norsemont Mining Inc. from 2003 to 2006.	18,298,222
Andrew von Kursell Surrey, British Columbia, Canada *Director*	September 8, 2017	Mr. Mr. von Kursell has been a director and chair of the Audit Committee of Mineral Hill Industries Ltd. since 2005. Prior thereto, Mr. von Kursell served as Interim Chief Financial Officer at Nass Valley Gateway Ltd. from June 2014 to October 2016 and continues to serve as director and Chair of the Audit Committee. Mr. von Kursell was also the co-founder, director and Chief Operating Officer of Ascot Mining Corporation from 2007 until 2014.	Nil
Xavier Wenzel North Vancouver, British Columbia, Canada *Chief Financial Officer*	August 27, 2018	Mr. Wenzel is the Chief Financial Officer of the Corporation and has been a member of the private accounting firm Fehr & Associates since 2017. Prior to joining Fehr and Associates, Mr. Wenzel worked for Smythe LLP for over 20 years and spent the last 5 years at Smythe LLP as a Principal in the audit department.	Nil

(1) Each director of the Corporation ceases to hold office immediately before an annual general meeting for the election of directors is held but is eligible for re-election or re-appointment.
(2) Unless otherwise indicated, to the knowledge of the applicable officer or director, the organization at which the officer or director was occupied or employed is still carrying on business.
(3) These Common Shares are subject to escrow restrictions. See "*Escrowed Securities*".
(4) Mr. De Melt may be a "Promoter" (as defined in Section 1 of the Securities Act (Alberta) of the Corporation, in that he took the initiative in founding and organizing the Corporation.
(5) Held via Cambrian Capital Corp., the investment company of Mr. Maddin. Mr. Maddin is the sole shareholder, President and Chief Executive Officer of Cambrian Capital Corp.

As of the date of this Prospectus, the directors and executive officers of the Corporation, as a group beneficially owned, directly or indirectly, or exercised control or direction over 21,179,841 (60.73%) of the Common Shares.

Directors' and Officers' Biographies

Leonard (Len) De Melt, age: 73, Director, President and Chief Executive Officer

Mr. De Melt is an engineering graduate of the Haileybury School of Mines and also holds a Bachelor of Arts degree in business and economics. He has held management positions with 12 mining companies internationally. Mr. De Melt has nearly 30 years of project management and mine development experience to the Corporation.

Bob Bryce, age: 80, Director

Mr. Bryce is a Life Member of the Canadian Institute of Mining and Metallurgy. He retired from active practice with the Quebec Order of Engineers in 2017, after completing 50 years of service.

James Clucas, age: 77, Director

Mr. Clucas has been involved in the development of several mineral deposits, including the Snow Lake Mine (High River Gold Mines), Fidelitya Tunnels (Pegasus Mining) and the Fenix Project (HudBay Minerals Inc.). Mr. Clucas has more than 40 years experience founding and working for junior exploration companies.

Hugh Maddin, age: 71, Director

Mr. Maddin is a practising lawyer in British Columbia with 47 years of experience in corporate, commercial, mining finance, venture capital, real estate and mining projects.

Andrew von Kursell, age: 83, Director

Mr. von Kursell has been involved in mining operations in Chile, Peru, Bolivia, Ecuador, Uganda and China. Mr. von Kursell is a Professional Engineer, registered in BC, Ontario, Life Member in Nova Scotia and retired in Yukon. He earned a Bachelor of Mining Engineering degree from McGill University in 1963.

Xavier Wenzel, age: 50, Chief Financial Officer

Mr. Wenzel is a Chartered Professional Accountant (member of the Institute of Chartered Professional Accountants of BC) with more than 20 years of public accounting experience as an auditor and senior level executive with both public and private entities in North and South America. Mr. Wenzel is from Mexico City, is bi-lingual and has served as the Chief Financial Officer for several exploration companies.

Management of the Corporation

The Corporation's Chief Executive Officer provides overall leadership and vision in developing the strategic direction of the Corporation, in consultation with the Board. The Chief Executive Officer also manages the overall business of the Corporation to ensure its strategic plan is effectively implemented and the results are monitored and reported to the Board. The Corporation's Chief Financial Officer is responsible for establishing and maintaining financial disclosure controls and procedures for the Corporation in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as disclosed below, no director or executive officer of the Corporation is, as at the date of this Prospectus, or was within 10 years before the date of this Prospectus, a director, chief executive officer or chief financial officer of any company (including the Corporation), that:

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

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

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

On or about July 27, 2018, the Ontario Securities Commission issued a cease trade order for Knick Exploration Inc. ("**Knick**"), due to Knick's inability to file the necessary continuous disclosure in the prescribed period. At the time the order was issued, Mr. Robert Bryce was a member of Knick's board of directors. On or about November 13, 2018, Knick applied for and was granted a revocation of the cease trade order upon the satisfaction of its continuous disclosure obligations.

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

(a) is, as at the date of this Prospectus, or has been within the 10 years before the date of this Prospectus, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

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

(a) 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

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

Conflicts of Interest

Our directors are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interests that they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter. To the best of our knowledge, and other than as disclosed in the following paragraph, there are no known existing or potential conflicts of interest among the Corporation, our directors and officers or other members of management or of any proposed promoter, director, officer or other member of management as a result of their outside business interests.

Certain of the directors and officers currently serve as directors and officers of other private and public companies (including resource exploration companies). Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations (including resource exploration properties), and situations may arise where these directors and officers may be serving another corporation with interests that are in direct competition with the Corporation. In the event of any conflicts of interest, such conflicts must be disclosed to the Corporation and dealt with in accordance with the provisions of the CBCA.

PROMOTER

Leonard De Melt may be considered to be the Promoter of the Corporation in that he took the initiative in founding and organizing the Corporation. Mr. De Melt owns 18,298,222 Common Shares (52.46% of the total number of Common Shares issued and outstanding).

EXECUTIVE COMPENSATION

For the purposes of this section, "Named Executive Officers" means the Chief Executive Officer and Chief Financial Officer of the Corporation. Mr. De Melt has been the President and Chief Executive Officer of the Corporation since September 8, 2017, and Mr. Wenzel has been the Chief Financial Officer of the Corporation since August 27, 2018.

Compensation Discussion and Analysis

The Corporation does not have a formal compensation program for its directors or management. The Board of Directors relies on the experience of its members as current or former officers or directors of other junior exploration companies to ensure that the total compensation paid to the Corporation's management is fair and reasonable.

The Board meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. The general philosophy of the Corporation's compensation strategy is to: (a) encourage management to achieve a high level of performance and results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interest of shareholders; (c) provide a reasonable compensation package to attract and retain highly qualified executives and directors; and (d) ensure that total compensation paid takes into account the Corporation's overall financial position.

The compensation to executive officers is comprised of salaries and, if and when granted, Options. In establishing levels of cash compensation and the granting of Options, the executive's performance, level of expertise and responsibilities are considered.

Options are granted pursuant to the Option Plan, which is designed to encourage share ownership on the part of management, directors and employees. The Board believes that the Option Plan aligns the interests of the Corporation's personnel with shareholders by linking compensation to the longer term performance of the Common Shares. The granting of Options is a significant component of executive compensation as it allows the Corporation to reward each executive officer's efforts to increase shareholder value without requiring the use of the Corporation's cash reserves.

Options may be granted with the approval of the Board at the time of the executive's hiring or appointment and periodically thereafter. Previous grants of Options are taken into account by the Board when it considers the granting of new Options.

Incentive Plan Awards

There are currently no Options issued and outstanding. The Corporation may grant Options to its directors, officers, employees and consultants pursuant to the Option Plan following listing of the Common Shares on the CSE. See "*Consolidated Compensation – Stock Option Plan*".

Summary Compensation Table

The following table sets forth a summary of all compensation paid, during the period from incorporation to the date hereof, to the Named Executive Officers:

Name and Principal Position	Salary ($)	Share-Based Awards	Option-Based Awards	Non-Equity Incentive Plan Compensation		Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
				Annual Incentive Plans	Long-term Incentive Plans			
Leonard De Melt, Chief Executive Officer	Nil	Nil	Nil (1)	Nil	Nil	Nil	Nil	Nil
Xavier Wenzel, Chief Financial Officer	Nil	Nil	Nil (2)	Nil	Nil	Nil	$Nil	$Nil

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all of the share-based awards and Option-based awards issued to the Named Executive Officers from incorporation to the date hereof:

	Option-based Awards				Share-based Awards	
Name	Number of securities underlying unexercised Options (#)	Option exercise price ($)	Option expirati on date	Value of unexercised in-the-money Options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based wards that have not vested ($)
Leonard De Melt, Chief Executive Officer	Nil	N/A	N/A	Nil	Nil	Nil
Xavier Wenzel, Chief Financial Officer	Nil	N/A	N/A	Nil	Nil	Nil

Incentive Plan Awards - Value Vested or Earned During the Period

The following table sets forth the value of all vested awards under incentive plans for each of the Named Executive Officers from incorporation to the date hereof:

Name	Option-based awards - Value vested during the period ($)	Share-based awards - Value vested during the period ($)	Non-equity incentive plan compensation - Value earned during the period ($)
Leonard De Melt, Chief Executive Officer	Nil	Nil	Nil
Xavier Wenzel, Chief Financial Officer	Nil	Nil	Nil

Termination of Employment, Change in Responsibilities and Employment Contracts

Except for the following, there are no employment contracts or arrangements in existence between the Corporation and any director or officer of the Corporation. The Corporation is party to a consulting agreement dated August 27, 2018, whereby Mr. Xavier Wenzel is to provide services as the Corporation's Chief Financial Officer and has agreed to provide financial consulting services to the Corporation for $3,500 per month plus additional fees for out-of-scope services.

There is no arrangement or agreement made between the Corporation and any of its Named Executive Officers pursuant to which a payment or other benefit is to be made or given by way of compensation in the event of that officer's resignation, retirement or other termination of employment, or in the event of a change of control of the Corporation or a change in the Named Executive Officer's responsibilities following such a change of control.

Director Compensation

The only arrangements, standard or otherwise, pursuant to which the Corporation may compensate directors for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, are by the issuance of Options. See "*Stock Option Plan*".

The following table sets forth a summary of all compensation paid, during the period from incorporation to the date hereof, to the directors of the Corporation, other than the Named Executive Officers:

Name	Fees earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Bob Bryce	Nil	Nil	Nil	Nil	Nil	Nil	Nil
James Clucas	Nil	Nil	Ni1	Nil	Nil	Nil	Nil
Hugh Maddin	Nil	Nil	Ni1	Nil	Nil	Nil	Nil
Andrew von Kursell	Nil	Nil	Ni1	Nil	Nil	Nil	Nil

The following table sets forth all of the share-based awards and Option-based awards issued to the directors of the Corporation other than the Named Executive Officers from incorporation to the date hereof:

	Option-based Awards				Share-based Awards	
Name	Number of securities underlying unexercised Options (#)	Option exercise price ($)	Option expirati on date	Value of unexercised in-the-money Options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based wards that have not vested ($)
Bob Bryce	Nil	N/A	N/A	Nil	Nil	Nil
James Clucas	Nil	N/A	N/A	Nil	Nil	Nil
Hugh Maddin	Nil	N/A	N/A	Nil	Nil	Nil

Andrew von Kursell	Nil	N/A	N/A	Nil	Nil	Nil

The following table sets forth the value of all vested awards under incentive plans for each of the directors of the Corporation other than the Named Executive Officers from incorporation to the date hereof:

Name	Option-based awards - Value vested during the period ($)	Share-based awards - Value vested during the period ($)	Non-equity incentive plan compensation - Value earned during the period ($)
Bob Bryce	Nil	Nil	Nil
James Clucas	Nil	Nil	Nil
Hugh Maddin	Nil	Nil	Nil
Andrew von Kursell	Nil	Nil	Nil

AUDIT COMMITTEE

General

As the Corporation is a "venture issuer" (as defined in NI 52-110), it is relying on the exemptions provided to it under section 6.1 of NI 52-110 with respect to the composition of the audit committee and with respect to audit committee reporting obligations. The Audit Committee is responsible for reviewing the Corporation's financial reporting procedures, internal controls and the performance of the financial management and external auditors of the Corporation. The Audit Committee also reviews the annual and interim financial statements and makes recommendations to the Board.

The Audit Committee is comprised of Jim Clucas, Hugh Maddin and Andrew von Kursell all of whom are "financially literate" and two of whom are "independent", as those terms are defined in NI 52-110. The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member, and in particular the education or experience that provides each member with: (i) an understanding of the accounting principles used by the Corporation to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions; (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements; and (iv) an understanding of internal controls and procedures for financial reporting, is as follows:

Jim Clucas — Mr. Clucas obtained his CMA designation in England and has served as the Chief Financial Officer of several exploration companies, including, from 1979 to 1984, as the Chief Financial Officer for the Ontario Division of Inco Ltd. and, from 1970 to 1979, as the Chief Financial Officer for the Manitoba Division of Inco Ltd. He has over 40 years of experience and expertise in mining exploration and production, both in Canada and abroad.

Hugh Maddin — Mr. Maddin has served on the board of directors of several public companies and is a practising lawyer in British Columbia with 47 years of experience in corporate, commercial, mining finance, venture capital, real estate and mining projects.

Andrew von Kursell — Mr. von Kursell has been the Chair of the Audit Committees of Mineral Hill Industries Ltd. and Nass Valley Gateway Ltd. since 2005 and 2014, respectively, and has over 30 years experience in the mining exploration and production industry. He is a Professional

Engineer and obtained a Bachelor of Mining Engineering degree from McGill University in 1963 and his P.Eng. designation in B.C., Ontario and the Nova Scotia.

Charter

The Audit Committee's charter is as follows:

General

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial information to be provided to the shareholders and others, the systems of internal controls and management information systems established by management and the Corporation's external audit process and monitoring compliance with the Corporation's legal and regulatory requirements with respect to its financial statements.

The Audit Committee is accountable to the Board. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee is expected to maintain an open communication between the Corporation's external auditors and the Board.

The responsibilities of a member of the Audit Committee are in addition to such member's duties as a member of the Board.

The Audit Committee does not plan or perform audits or warrant the accuracy or completeness of the Corporation's financial statements or financial disclosure or compliance with generally accepted accounting procedures as these are the responsibility of management and the external auditors.

Relationship with External Auditors

The external auditor is required to report directly to the Audit Committee. Opportunities shall be afforded periodically to the external auditor and to members of senior management to meet separately with the Audit Committee.

Composition of Audit Committee

The Committee membership shall satisfy the laws governing the Corporation and the independence, financial literacy and experience requirements under securities law, stock exchange and any other regulatory requirements as are applicable to the Corporation.

Responsibilities

1. The Audit Committee shall be responsible for making the following recommendations to the Board:

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

   (b) the compensation of the external auditor.

2. The Audit Committee shall be directly responsible for overseeing the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:

   (a) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgments of management that may be material to financial reporting;

   (b) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;

(c) reviewing audited annual financial statements, in conjunction with the report of the external auditor;

(d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management; and

(e) reviewing the evaluation of internal controls by the external auditor, together with management's response.

3. The Audit Committee shall review interim unaudited financial statements before release to the public.

4. The Audit Committee shall review all public disclosures of audited or unaudited financial information before release, including any prospectus, annual report, annual information form, and management's discussion and analysis.

5. The Audit Committee shall review the appointments of the chief financial officer and any other key financial executives involved in the financial reporting process, as applicable.

6. Except as exempted by securities regulatory policies, the Audit Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the external auditor.

7. The Audit Committee shall ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and shall periodically assess the adequacy of those procedures.

8. The Audit Committee shall establish procedures for:

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

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

9. The Audit Committee shall periodically review and approve the Corporation's hiring policies, if any, regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

10. Meetings of the Audit Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.

Authority

The Audit Committee shall have the authority to:

1. engage independent counsel and other advisors as it determines necessary to carry out its duties;
2. set and pay the compensation for any advisors employed by the Audit Committee; and
3. communicate directly with the external auditors.

Audit Fees

During the period from incorporation to February 28, 2019, no fees have been billed to the Corporation by its auditors.

CORPORATE GOVERNANCE

On June 30, 2005, NI 58-101 and National Policy 58-201 - *Corporate Governance Guidelines* (the "**Guidelines**"), came into force. The Guidelines address matters such as the constitution of, and the functions to be performed by, the Board. NI 58-101 requires that the Corporation disclose its approach to corporate governance with reference to the Guidelines. The Board is committed to ensuring that the Corporation has an effective corporate governance system, which adds value and assists the Corporation in achieving its objectives.

Board of Directors

Messrs. Bob Bryce, Jim Clucas, Hugh Maddin and Andrew von Kursell are each "independent" directors, according to the definition set out in NI 52-110. Leonard De Melt is not independent as he is currently an executive officer of the Corporation.

The independent directors believe that their knowledge of the Corporation's business and their independence are sufficient to facilitate the functioning of the Board independently of management. To facilitate open and candid discussion among the Board's independent directors, the independent directors have the discretion to meet in private in the absence of the other directors whenever they believe it is appropriate to do so. To date, the independent directors have not held a meeting at which non-independent directors and members of management were not in attendance.

Other Directorships

The directors of the Corporation are presently directors of other reporting issuers, as follows:

Directors	Other Issuers
Bob Bryce	Vision Lithium Inc., Q-Gold Resources Ltd., Methanor Resources Inc., and Knick Exploration Inc.
Hugh Maddin	Omega Gold Corp.
Andrew von Kursell	Mineral Hill Industries Ltd.

Orientation and Continuing Education

Management will ensure that a new appointee to the Board receives the appropriate written materials to fully apprise him or her of the duties and responsibilities of a director pursuant to applicable law and policy. Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of the Corporation's business will be necessary and relevant to each new director.

Ethical Business Conduct

The Board expects management to operate the business of the Corporation in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Corporation's business plan and to meet performance objectives and goals. In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

Given the Corporation's current stage of development and size of the Board, the Board is presently of the view that it functions effectively as a committee of the whole with respect to the nomination of directors. The entire Board will assess potential nominees and take responsibility for selecting new directors. Generally, any nominees are expected to be the result of recruitment efforts by the Board, including both formal and informal discussions among Board members and the President and Chief Executive Officer of the Corporation.

The Corporation's constating documents include a provision requiring advance notice of the nomination of persons to act as directors of the Corporation. Under this provision, subject only to the CBCA, nominations of persons for election to the Board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, (a) by or at the direction of the Board or an authorized officer of the Corporation, including pursuant to a notice of meeting, (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the CBCA or a requisition of the shareholders made in accordance with the provisions of the CBCA or (c) by any person (a "**Nominating Shareholder**") (i) who, at the close of business on the date of the giving of the notice of nomination and on the record date for notice of such meeting, is entered in the central securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (ii) who complies with the notice procedures set out in the advance notice provision, including without limitation that such notice must be provided to the Corporation (A) in the case of an annual meeting of shareholders, not more than 65 days and not less than 30 days prior to the date of the annual meeting of shareholders (provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made (the "**Notice Date**"), notice by the Nominating Shareholder may be made not later than the close of business on the 10th business day following the Notice Date); and (B) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th business day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

Compensation

The Corporation does not have a Compensation Committee. Compensation matters for the Corporation's directors and officers are dealt with by the full Board. The Board meets to discuss and determine director and management compensation without reference to formal objectives, criteria or analysis.

Other Board Committees

The only Board committee of the Corporation is the Audit Committee.

Assessments

The Board annually reviews its own performance and effectiveness. Neither the Corporation nor the Board has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board is of the view that the Corporation's corporate governance practices are appropriate and effective for the Corporation, given its relatively small size and limited operations. The Corporation's method of corporate governance allows for the Corporation to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excessive administrative burden.

PLAN OF DISTRIBUTION

The Offering

Pursuant to the Agency Agreement, the Corporation will appoint the Agent to act as its exclusive agent to offer for sale, on a commercially reasonable efforts basis, a minimum of 6,000,000 Units for gross proceeds of $600,000 and a maximum of 7,450,000 Units for gross proceeds of $745,000. The price of the Units was determined by negotiation between the Corporation and the Agent.

The Agent, or registered sub-agents who assist the Agent in the distribution of the Units offered hereunder, conditionally offer the Units, subject to prior sale, if, as and when issued by the Corporation and accepted by the Agent in accordance with the conditions contained in the Agency Agreement and subject to the approval of certain legal matters, on behalf of the Corporation by Burnet, Duckworth & Palmer LLP, and on behalf of the Agent by Burstall LLP. Subscriptions for Units will be payable in cash to the Corporation against delivery of certificates representing the Units. Subscriptions for Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

The obligations of the Agent under the Agency Agreement may be terminated by the Agent at its discretion on the basis of its assessment of the state of the financial markets and may also be terminated in certain stated circumstances and upon the occurrence of certain stated events.

The directors, officers and other insiders of the Corporation may purchase Units pursuant to the Offering.

Minimum Subscription and Conditions of Closing

Closing of the Offering is subject to conditions which are set out in the Agency Agreement. The principal conditions are the following:

- A minimum of 6,000,000 Units for gross proceeds of $600,000 must be sold under the Offering; and

- The CSE must approve the Common Shares for listing. Listing of the Common Shares will be subject to the Corporation fulfilling all of the listing requirements and conditions of the CSE. The listing conditions of the CSE include, among other things, that at least 20% of the issued and outstanding Common Shares be held by members of the public following the Offering. The Corporation expects that this requirement will be met if the Offering is completed.

All subscription proceeds will be paid to the Agent, and held by the Agent, pending completion of the Offering and fulfillment of the other conditions set out in the Agency Agreement. The Agent will release those funds to the Corporation on Closing. If the Minimum Offering is not achieved, the Agent must return all funds received to the subscribers, as directed by the subscribers, without any deductions.

Completion of the Offering is subject to the sale of the Units on or before 90 days after the issuance of the final receipt for the final prospectus respecting the Offering, unless an amendment to the final prospectus is filed and a receipt for the amendment is issued, in which case the latest date that the distribution is to remain open is 90 days after the date of issuance of a receipt for the amendment, and in any event no later than 180 days from the date of the receipt for the final prospectus. All funds received from subscriptions will be held by the Agent. If the Minimum Offering is not subscribed for in such period, the funds will be returned to the subscribers.

Agent's Compensation

In consideration for its services in connection with the Offering, the Corporation has agreed to pay to the Agent the Agent's Commission of 10% of the gross proceeds of the Offering and a Corporate Finance Fee of $25,000 (plus GST). The Corporation has paid the Corporate Finance Fee as of the date of this Prospectus. The Corporation has also agreed to reimburse the Agent for its expenses and legal fees and disbursements incurred in connection with the Offering and the Corporation has paid to the Agent a deposit of $20,000 for these expenses, fees and disbursements. The Corporation has agreed to grant to the Agent the Agent's Option to purchase Agent's Option Shares equal to 10% of the number of Units sold pursuant to the Offering, at a price of $0.10 per Agent's Option Share for a period of two years following listing of the Units on the CSE. This Prospectus qualifies the issuance of the Agent's Option.

Any Agent's Option Shares acquired by the Agent pursuant to the exercise of the Agent's Option may be resold by the Agent without further qualification through the facilities of the CSE at the market price at the time of the sale. The Corporation will not receive any of the proceeds from the sale of any such securities by the Agent.

Listing Application

The Corporation has applied to list the Common Shares distributed under this Prospectus on the CSE. Listing will be subject to the Corporation fulfilling all of the requirements of the CSE, which include distribution of the Units to a minimum number of public shareholders.

As at the date of this Prospectus, the Corporation is an "IPO Venture Issuer" (defined under National Instrument 41-101 - *General Prospectus Requirements* as an issuer that: (a) files a long form prospectus; (b) is not a reporting issuer in any jurisdiction immediately before the date of the final long form prospectus; and (c) at the date of the long form prospectus, 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 (i) the Toronto Stock Exchange, (ii) a U.S. marketplace, or (iii) 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

An investment in the Units is speculative and involves a high degree of risk due to the nature of the Corporation's business and the present stage of exploration and development of its mineral properties. The following risk factors, as well as risks not currently known to the Corporation, could materially adversely affect the Corporation's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Corporation. Prospective investors should carefully consider the following risk factors along with the other matters set out or incorporated by reference in this Prospectus.

Limited Operating History

The Corporation has a limited operating history upon which an evaluation of the Corporation, its current business and its prospects can be based. You should consider any purchase of the Corporation's securities in light of the risks, expenses and problems frequently encountered by all companies in the early stages of their corporate development.

No Known Economic Deposits

The Corporation is an exploration stage company and cannot give assurance that a commercially viable deposit, or "reserve," exists on any properties for which the Corporation currently has or may have (through potential future joint venture agreements or acquisitions) an interest. Therefore, determination of the existence of a reserve depends on appropriate and sufficient exploration work and the evaluation of legal, economic, and environmental factors. If the Corporation fails to find a commercially viable deposit on any of its properties, its financial condition and results of operations will be materially adversely affected.

Fluctuations in Metal Prices

Factors beyond the Corporation's control may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. The effect of these factors on the Corporation's exploration activities cannot be predicted. For example, gold prices are affected by numerous factors including central bank sales, producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, global and regional demand and political and economic conditions. Worldwide gold production levels also affect gold prices. As well, the price of gold has on occasion been subject to rapid short-term changes due to speculative activities.

Land Use Approvals and Permits

The proposed exploration program described in the Technical Report is expected to include exploration work for which land use approvals or permits must be obtained from the Peruvian government. The Corporation cannot guarantee that it will be able to obtain all such approvals or permits in a timely manner or at all, and any delay or failure to receive any required land use approvals or permits could negatively impact the Corporation's future exploration of the San Vicente Property.

Exploration and Development Risk

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

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, 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 and grades to justify commercial operations or that funds required for development can be obtained on a timely basis. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Title to Properties

Although title reviews may be conducted prior to the purchase of mining properties or the commencement of exploration activities on said properties, such reviews do not guarantee or certify that an unforeseen defect in the chain of title will not arise to defeat the Corporation's Claim. The Corporation's actual interest in properties may, therefore, vary from its records. If a title defect does exist, it is possible that the Corporation may lose all or a portion of the properties to which the title defect relates, which may have a material adverse effect on its business, financial condition, results of operations and prospects. There may be valid challenges to title, or proposed legislative changes which affect title, to the mining properties the Corporation controls that, if successful or made into law, could impair the Corporation's activities on them and result in a reduction of the revenue received by the Corporation.

Expiration of Concessions

The Corporation's properties are held in the form of concessions and licences and working interests in concessions and licences. If the Corporation or the holder of the concession or licence fails to meet the specific requirement of a concession or licence, the concession or licence may terminate or expire. There can be no assurance that any of the obligations required to maintain each concession or licence will be met. The termination or expiration of the Corporation's concessions or licences or the working interests relating to a concession or licence may have a material adverse effect on the business, financial condition, results of operations and prospects of the Corporation.

Availability of Drilling Equipment and Access

Mining exploration and development activities are dependent on the availability of drilling and related equipment (typically leased from third parties) in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Corporation and may delay exploration and development activities.

Management of Growth

Lida may be subject to growth related risks including capacity constraints and pressure on its internal systems and controls. The Corporation's ability to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base, particularly with respect to a hiring technical support staff to facilitate exploration of the San Vicente Property. Lida's inability to deal with this growth may have a material adverse effect on its business, financial condition, results of operations and prospects.

Reliance on Key Personnel

The Corporation's success depends in large measure on certain key personnel. The loss of the services of such key personnel may have a material adverse effect on the business, financial condition, results of operations and prospects. The Corporation does not have any key person insurance in effect. The contributions of the existing management team to its immediate and near term operations are likely to be of central importance. In addition, the competition for qualified personnel in the mining industry is intense and there can be no assurance that the Corporation will be able to continue to attract and retain all personnel necessary for the development and operation of its business. Investors must rely upon the ability, expertise, judgment, discretion, integrity and good faith of the Corporation's management.

Competitive Conditions

The Corporation is a grassroots mineral exploration company. The mineral exploration industry is competitive, with many companies competing for the limited number of precious and base metals acquisition and exploration opportunities that are economic under current or foreseeable metals prices, as well as for available investment funds. Competition also exists for the recruitment of qualified personnel and equipment.

Government Regulation

Mining operations and exploration companies in Peru are subject to various local laws and regulations which govern prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters. The Corporation believes that it is and will continue to be in compliance in all material respects with applicable statutes and the regulations passed in Peru.

Environmental Regulation

The various state, federal, provincial and local laws and regulations in Peru that govern the protection of the environment are amended often and are becoming more restrictive. The Corporation's policy is to conduct its business in a way that safeguards public health and the environment. The Corporation believes that its operations are conducted in material compliance with applicable environmental laws and regulations.

Since its incorporation, the Corporation has not had any environmental incidents or non-compliance with any applicable environmental laws or regulations. The Corporation estimates that it will not incur material capital expenditures for environmental control facilities during the current fiscal year.

Risks of Peruvian Operations

As the Corporation's mining properties and operations located in Peru, the Corporation is subject to political, economic, and other uncertainties, including, but not limited to, changes in mining policies or the personnel administering them, nationalization, currency fluctuations, exchange controls, and royalty and tax increases. The Corporation's business, financial condition, results of operations, and the value of the Common Shares could also be materially adversely affected by social instability in Peru and other factors which are not within the control of the Corporation including, among other things, the risks of terrorism, civil strikes, abduction, renegotiation or nullification of existing concessions and contracts, economic sanctions, the imposition of specific mining exploration obligations, and the development and abandonment of properties. The Corporation's operations may also be adversely affected by laws and policies of Canada affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with the Corporation's operations in Peru, the Corporation may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Corporation may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Corporation's exploration, development and production activities in Peru could be substantially affected by factors beyond the Corporation's control, any of which could have a material adverse effect on the Corporation's business, financial condition, results of operations, and the value of the Common Shares.

Economic and Political Developments in Peru, Including Export Controls

In the past few decades, the Peruvian economy has experienced some periods of extreme volatility including periods of low or negative growth and variable levels of inflation. The Peruvian economy grew by more than 4% per year during the period of 2002 to 2006. With renewed market enthusiasm for base metals, gold and silver, growth jumped to 5% per year in 2016 and 2017. The current growth is driven by higher world prices for minerals and metals and the Peruvian government's aggressive trade liberalization strategies, which were brought back after a five-year bear market in commodities from 2012 to 2017. Peru's rapid expansion is once again appearing with the renewed interest and optimism due to the recent upturn in commodity prices, though underemployment remains high. Inflation in 2016 was within the Central Banks 1-3% target range. Despite Peru's strong macroeconomic performance, overdependence on minerals and metals subjects the economy to fluctuations in global commodity prices.

Peru still has a stable exchange rate and low inflation; however, there is no guarantee of economic stability. As is the case in many other nations, should inflation rise and government popularity decrease, the economic situation in Peru could quickly deteriorate as it did during the period of 2007 to 2012.

Peruvian Governance

Peru is a multi-party democratic republic governed by an elected president and congress. Peru is divided into 25 regions, also referred to as "departments", subdivided into provinces which are made up of districts. Peru's constitution, approved by a national referendum in 1993, increased the powers of the president and reduced the Peruvian congress to 130 members from 240 under the previous 1979 constitution. The president is elected for a five-year term and can only seek re-election after standing down at least one full term. A majority vote of over 50% of the votes is needed in the first ballot in elections in Peru. If a majority vote is not attained, there is an additional runoff vote. Peru has prohibited family members from immediately succeeding another family member's presidency. The executive branch, in addition to the legislative branch, may propose legislation. After legislation is passed by the congress, the president may promulgate the legislation, giving it the force of law. In addition to the president, the executive branch contains the Council of Ministers, which, in addition to the Prime Minister, are appointed by the President.

On June 5, 2016, Pedro Pablo Kuczynzki, was elected as president, and the change of government took place on July 28, 2016. However, in late 2017, Mr. Kuczynzki was accused of receiving advisory fees from Brazilian construction company Odebrecht, who was then mired in scandal. Mr. Kuczynzki was subsequently impeached on two different occasions and when, in March 2018, a video was released of Kuczynski's allies attempting to buy the vote against impeachment from one official, Mr. Kuczynzki resigned as president. As a result, Martin Vizcarra Cornejo, who had been elected as Mr. Kuczynzki's vice-president and served as ambassador to Canada, was appointed president of Peru on April 2, 2018.

Effect of Change in Commodity Prices in Peru

The Corporation's operational and financial results are dependent on the prices received for minerals in Peru. Any substantial and extended decline in the price of minerals in Peru would have an adverse effect on, among other things, the Corporation's revenues and financial condition.

Global Financial Markets

Recent market events and conditions, including disruptions in the international credit markets and other financial systems and the American and European sovereign debt levels have caused significant volatility in commodity prices. These events and conditions have caused a decrease in confidence in the broader U.S. and global credit and financial markets and have created a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to further deteriorate and stock markets to decline substantially. While there are signs of economic recovery, these factors have negatively impacted corporate valuations and are likely to continue to impact the performance of the global economy going forward. Mineral prices are expected to remain volatile for the near future as a result of market uncertainties over the supply and demand of these commodities due to the current state of the world economies and the ongoing global credit and liquidity concerns. This volatility may in the future affect the Corporation's ability to obtain equity or debt financing on acceptable terms.

Variations in Foreign Exchange Rates and Interest Rates

World mineral prices are quoted in U.S. dollars. The Canadian/U.S. dollar exchange rate, which fluctuates over time, consequently affects the price received by Canadian mining companies. Future Canadian/United States exchange rates could affect the future value of the Corporation's reserves as determined by independent evaluators. Although a low value of the Canadian dollar relative to the United States dollar may positively affect the price the Corporation receives for its oil and natural gas production, it could also result in an increase in the price for certain goods used for the Corporation's operations, which may have a negative impact on the Corporation's financial results.

To the extent that the Corporation engages in risk management activities related to foreign exchange rates, there is a credit risk associated with counterparties with which it may contract. An increase in interest rates could result in a significant increase in the amount the Corporation pays to service debt, resulting in a reduced amount available to fund its exploration and development activities, and if applicable, the cash available for dividends and could negatively impact the market price of its Common Shares.

Income Taxes

The Corporation files all required income tax returns and believes that it is in full compliance with the provisions of the Tax Act and all other applicable provincial tax legislation. However, such returns are subject to reassessment by the applicable taxation authority. In the event of a successful reassessment of the Corporation, whether by re-characterization of exploration and development expenditures or otherwise, such reassessment may have an impact on current and future taxes payable.

Income tax laws relating to the mining industry, such as the treatment of resource taxation or dividends, may in the future be changed or interpreted in a manner that adversely affects the Corporation. Furthermore, tax authorities having jurisdiction over the Corporation may disagree with how the Corporation calculates its income for tax purposes or could change administrative practices to the Corporation's detriment.

Failure to Realize Anticipated Benefits of Acquisitions and Dispositions

The Corporation considers acquisitions and dispositions of businesses and assets in the ordinary course of business. Achieving the benefits of acquisitions depends on successfully consolidating functions and integrating operations and procedures in a timely and efficient manner and the Corporation's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with the Corporation. The integration of acquired businesses may require substantial management effort, time and resources diverting management's focus from other strategic opportunities and operational matters. Management continually assesses the value and contribution of services provided and assets required to provide such services. In this regard, non-core assets may be periodically disposed of so that the Corporation can focus its efforts and resources more efficiently. Depending on the state of the market for such non-core assets, certain of the Corporation's assets, if disposed of, may realize less than their carrying value on the Financial Statements.

Litigation

In the normal course of the Corporation's operations, it may become involved in, named as a party to, or be the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions, related to personal injuries, property damage, property tax, land rights, the environment and contract disputes. The outcome of outstanding, pending or future proceedings cannot be predicted with certainty and may be determined adversely to the Corporation and as a result, could have a material adverse effect on its assets, liabilities, business, financial condition and results of operations.

Insurance

The Corporation's involvement in the exploration for and development of mining properties may result in the Corporation becoming subject to liability for pollution, property damage, personal injury or other hazards. Although the Corporation maintains insurance in accordance with industry standards to address certain of these risks, such insurance has limitations on liability and may not be sufficient to cover the full extent of such liabilities. In addition, certain risks are not, in all circumstances, insurable or, in certain circumstances, the Corporation may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of any uninsured liabilities would reduce the funds available to the Corporation. The occurrence of a significant event that the Corporation is not fully insured against, or the insolvency of the insurer of such event, may have a material adverse effect on the Corporation's business, financial condition, results of operations and prospects.

Conflicts of Interest

Certain of the Corporation's directors or officers may also be directors or officers of other mining companies and as such may, in certain circumstances, have a conflict of interest. Conflicts of interest, if any, will be subject to and governed by procedures prescribed by the CBCA which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation to disclose his or her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the CBCA.

Additional Funding Requirements

The Corporation has no cash flow from its operations and will require additional financing in order to carry out its exploration and development activities. Failure to obtain financing on a timely basis could cause the Corporation to forfeit its interest in certain properties, miss certain acquisition opportunities and reduce or terminate its operations. Due to the conditions in the mining industry and/or global economic volatility, the Corporation may from time to time have restricted access to capital and increased borrowing costs. The current conditions in the mining industry have negatively impacted the ability of mining companies to access additional financing.

As a result of global economic and political volatility, continued depressed mineral prices have caused decreases, and may cause further decreases, in the Corporation's revenues from its operations, which may affect its ability to expend the necessary capital to develop and explore its properties. To the extent that external sources of capital become limited, unavailable or available on onerous terms, the Corporation's ability to make capital investments and maintain existing assets may be impaired, and its assets, liabilities, business, financial condition and results of operations may be affected materially and adversely as a result. In addition, the future development of the Corporation's mining properties may require additional financing and there are no assurances that such financing will be available or, if available, will be available upon acceptable terms. Alternatively, any available financing may be highly dilutive to existing shareholders. Failure to obtain any financing necessary for the Corporation's capital expenditure plans may result in a delay in exploration or development on its properties.

Market Price of Common Shares

The trading price of securities of mining issuers is subject to substantial volatility often based on factors related and unrelated to the financial performance or prospects of the issuers involved. Factors unrelated to the Corporation's performance could include macroeconomic developments nationally, within Peru, South America, North America or globally, domestic and global commodity prices or current perceptions of the mining market. Similarly, the market price of the Common Shares could be subject to significant fluctuations in response to variations in the Corporation's operating results, financial condition, liquidity and other internal factors. The price at which the Corporation's Common Shares will trade cannot be accurately predicted.

Issuance of Debt

From time to time, the Corporation may enter into transactions to acquire assets or shares of other organizations. These transactions may be financed in whole or in part with debt, which may increase the Corporation's debt levels above industry standards for mining companies of similar size. Depending on future exploration and development plans, the Corporation may require additional debt financing that may not be available or, if available, may not be available on favourable terms. Neither the Corporation's articles nor its by-laws limit the amount of indebtedness that it may incur. The level of the Corporation's indebtedness from time to time, could impair its ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise.

Dividends to Shareholders

The Corporation does not anticipate paying cash dividends on the Common Shares in the foreseeable future. The Corporation currently intends to retain all future earnings to fund the development and growth of its business. Any payment of future dividends will be at the discretion of the directors and will depend on, among other things, the Corporation's earnings, fluctuations in commodity prices, production levels, capital expenditure requirements, debt service requirements, operating costs, royalty burdens, foreign exchange rates, the satisfaction of the liquidity and solvency tests imposed by the CBCA for the declaration and payment of dividends financial condition, and other considerations that the directors deem relevant. Investors must rely on sales of their Common Shares after price appreciation, which may never occur, as the only way to realize a return on their investment.

Forward-Looking Information May Prove Inaccurate

Shareholders and prospective investors are cautioned not to place undue reliance on the Corporation's forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risk and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Risks related to the Offering

Absence of a Liquid, Public Market

Before the completion of the Offering, there has been no public market for the Common Shares underlying the Units and there can be no assurance that a liquid, public market will develop for the Common Shares. The Offering Price was determined through negotiations between the Corporation and the Agent. Among the factors considered in determining the Offering Price were the Corporation's future prospects and the prospects of the mining industry in general, the Corporation's financial and operating information in recent periods, and the market prices of securities and certain financial and other operating information of companies engaged in activities similar to those of the Corporation. The Offering Price may not be indicative of the market price for the Common Shares underlying the Units after the Offering, which price may decline below the Offering Price. See "*Plan of Distribution*".

Share Price Volatility

A number of factors could influence the volatility in the trading price of the Common Shares underlying the Units, including changes in the economy or in the financial markets, industry related developments and the impact of changes in the Corporation's daily operations. Each of these factors could lead to increased volatility in the market price of the Common Shares underlying the Units. In addition, variations in the Corporation's earnings estimates or other financial or operating metrics by securities analysts and the market prices of the securities of the Corporation's competitors may also lead to fluctuations in the trading price of the Common Shares.

Discretion in the Use of Proceeds

Management will have broad discretion concerning the use of the proceeds of the Offering, as well as the timing of their expenditure. As a result, purchasers will be relying on the judgment of management for the application of the proceeds of the Offering. Management may use the net proceeds of the Offering in ways that purchasers may not consider desirable. The results and the effectiveness of the application of the net proceeds are uncertain. If the proceeds are not applied effectively, the results of the Corporation's operations may suffer.

Dilution and Further Sales

The Corporation may make future acquisitions or enter into financings or other transactions involving the issuance of securities of the Corporation which may be dilutive.

Other than the restrictions set out under "*Escrowed Securities*", there are no restrictions on sales of Common Shares by any of the existing shareholders of the Corporation following Closing, some of whom may wish to reduce their share position in the Corporation and sell some or all of their Common Shares. The sale of a substantial number of the Common Shares in the public market after the Offering, or the perception that such sales may occur, could adversely affect the prevailing market price of the Common Shares and negatively impact the Corporation's ability to raise equity capital in the future.

Additional information on the risks, assumptions and uncertainties are found in this Prospectus under the heading "*Forward-Looking Statements*".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Neither the Corporation nor the San Vicente 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 authority, and no such legal proceedings, penalties or sanctions are known by the Corporation to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed below, no director or executive officer of the Corporation or any shareholder beneficially holding or controlling, directly or indirectly, more than 10% of the issued and outstanding Common Shares, or any of their respective associates or affiliates, had any material direct or indirect interest in any transaction within the three years preceding the date of this Prospectus which has materially affected or would materially affect the Corporation.

Mr. Leonard De Melt, the President, Chief Executive Officer and a director of the Corporation, was a party to both the Minera Agreement and Imperium Agreement. See "*Description and General Development of the Business – Acquisitions*".

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are Smythe LLP, Chartered Professional Accountants, at their principal offices located in 1700 – 475 Howe Street, Vancouver, British Columbia.

The Transfer Agent's principal offices are located at Calgary, Alberta. The Corporation and the Transfer Agent have entered into an agreement dated June 26, 2019 governing their respective rights and duties pertaining to this relationship.

MATERIAL CONTRACTS

The only material contracts entered into by the Corporation within the period from incorporation until the date of this Prospectus, other than contracts entered into in the ordinary course of business, are as follows:

1. Minera Purchase Agreement;
2. Imperium Purchase Agreement;
3. San Vicente Agreements;
4. Amazon Agreement;
5. Fidelity Purchase Agreement;
6. Warrant Indenture;
7. Escrow Agreement; and
8. the Agency Agreement.

Copies of the above material contracts will be available for inspection at the registered and records office of the Corporation c/o Burnet, Duckworth & Palmer LLP, 2400, 525 8 Avenue SW, Calgary, Alberta, T2P 1G1, during regular business hours during the distribution of the Units and for a period of 30 days thereafter.

EXPERTS

Certain legal matters related to this Offering will be passed upon on behalf of the Corporation by Burnet, Duckworth & Palmer LLP and on behalf of the Agent by Burstall LLP. Technical information regarding the Property included in this Prospectus is based on the Technical Report prepared by George C. Sharpe, Mineral Exploration Services, who is a "Qualified Person" as such term is defined in NI 43-101 and is independent of the Corporation within the meaning of NI 43-101.

As of the date hereof, George C. Sharpe and partners and associates of each of Burnet Duckworth & Palmer LLP and Burstall LLP do not own, directly or indirectly, more than one percent of the issued and outstanding Common Shares. Neither George C. Sharpe, nor any partner or associate of Burnet Duckworth & Palmer LLP or Burstall LLP is expected to be elected, appointed or employed as a director, officer or employee of the Corporation or any of its associates or affiliates.

The Corporation's auditors, Smythe LLP, Chartered Professional Accountants, report that they are independent from the Corporation in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia, Canada.

OTHER MATERIAL FACTS

There are no material facts relating to the Corporation or the Offering other than as disclosed herein.

STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

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

FINANCIAL STATEMENTS

Attached to and forming a part of this Prospectus are the Financial Statements and the MD&A.

APPENDIX "FS"

FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

LIDA RESOURCES INC.

Consolidated Financial Statements

Period Ended August 31, 2018

(Expressed in Canadian dollars)

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INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF LIDA RESOURCES INC.

We have audited the accompanying consolidated financial statements of Lida Resources Inc., which comprise the consolidated statement of financial position as at August 31, 2018, and the consolidated statements of operations and comprehensive loss, changes in equity and cash flows for the period from incorporation on September 8, 2017 to August 31, 2018, and a summary of significant accounting policies and other explanatory information.

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

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

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

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Lida Resources Inc. as at August 31, 2018, and its financial performance and its cash flows for the period from incorporation on September 8, 2017 to August 31, 2018 in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to note 1 in the consolidated financial statements, which describes matters and conditions that indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

Chartered Professional Accountants

Vancouver, British Columbia
XX, 2019

LIDA RESOURCES INC.
Consolidated Statement of Financial Position
As at August 31, 2018
(Expressed in Canadian dollars)

		2018
Assets		
Current assets		
Cash	$	46,088
Accounts receivable		3,081
Prepaid expenses		57,389
		106,558
Mineral properties (note 3 and 4)		1,878,085
Total assets	$	1,984,643
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	$	121,197
Total liabilities		121,197
Shareholders' equity		
Share capital		2,117,107
Accumulated other comprehensive loss		(4,815)
Deficit		(248,846)
Total shareholders' equity		1,863,446
Total liabilities and shareholders' equity	$	1,984,643

Nature of operations and going concern (note 1)
Subsequent events (note 11)

Approved and authorized for issue by the Board of Directors on July 23, 2019

/s/ (signed) "*Leonard De Melt*" — Director

/s/ (signed) "*Andrew von Kursell*" — Director

LIDA RESOURCES INC.

Consolidated Statement of Operations and Comprehensive Loss

For the period from incorporation on September 8, 2017 to August 31, 2018

(Expressed in Canadian dollars)

		2018
Expenses		
Bank charges	$	788
Consulting		62,885
Exploration and evaluation costs (Note 4)		131,181
General and administrative		4,968
Professional fees		44,930
Travel		5,298
Loss before other income		(250,050)
Other income		
Foreign exchange gain		1,204
Total other income		1,204
Net loss for the period		(248,846)
Comprehensive loss		
Currency translation adjustment		(4,815)
Comprehensive loss for the period	$	(253,661)
Basic and diluted loss per share	$	(0.01)
Weighted average number of common shares outstanding – basic and diluted		18,789,823

(The accompanying notes are an integral part of these consolidated financial statements)

LIDA RESOURCES INC.
Consolidated Statement of Changes in Equity
(Expressed in Canadian dollars)

	Share capital							
	Number of shares		Amount		Accumulated other comprehensive loss		Deficit		Total
Shares issued on incorporation September 8, 2017	**667**	**$**	**20**	**$**	**-**	**$**	**-**	**$**	**20**
Shares issued for cash, net of share issue cost	6,560,667		367,087		-		-		367,087
Shares issued on acquisition of Imperium Mining SAC	10,000,000		700,000		-		-		700,000
Shares issued on acquisition of Minera LBJ SAC	15,000,000		1,050,000		-		-		1,050,000
Currency translation adjustment	-		-		(4,815)		-		(4,815)
Net loss for the period	-		-		-		(248,846)		(248,846)
Balance, August 31, 2018	**31,561,334**	**$**	**2,117,107**	**$**	**(4,815)**	**$**	**(248,846)**	**$**	**1,863,446**

(The accompanying notes are an integral part of these consolidated financial statements)

LIDA RESOURCES INC.
Consolidated Statement of Cash Flows
For the period from incorporation on September 8, 2017 to August 31, 2018
(Expressed in Canadian dollars)

		2018
Operating activities		
Net loss for the period	$	(248,846)
Changes in non-cash operating working capital:		
Accounts receivable		(3,081)
Prepaid expenses		(57,389)
Accounts payable and accrued liabilities		60,526
Net cash used in operating activities		(248,790)
Investing activities		
Acquisition of mineral properties		(84,362)
Net cash used in investing activities		(84,362)
Financing activities		
Shares issued for cash on incorporation		20
Shares issued for cash		379,220
Net cash provided by financing activities		379,240
Increase in cash		46,088
Cash, beginning of period		-
Cash, end of period	$	46,088

Supplemental cash-flow information		
Interest paid	$	-
Income taxes paid	$	-
Non-cash transactions		
Shares issued for acquisition of Imperium Mining SAC (note 3)		1,750,000
Shares issued for acquisition of Minera LBJ SAC (note 3)		1,750,000
Share issue costs included in accounts payable		12,133
Mineral properties included in accounts payable	$	43,723

(The accompanying notes are an integral part of these consolidated financial statements)

1. NATURE OF OPERATIONS AND GOING CONCERN

Lida Resources Inc. (the "Company") was incorporated pursuant to the Business Corporations Act of British Columbia on September 8, 2017 and is an exploration stage company focusing on mineral properties in Peru. The Corporation's head, registered and records office is located at Suite 2400, 525 8 Avenue SW, Calgary, Alberta, T2P 1G1.

These consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at August 31, 2018, the Company has a working capital deficiency of $14,639 has not generated any revenues from operations and has an accumulated deficit of $248,846. Management expects the Company will incur further expenditures to acquire and develop its mineral properties and for administrative expenses. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value. These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency.

(b) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its controlled subsidiaries: Imperium Mining SAC, Lida Resources SAC and Minera LBJ SAC. Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The financial statements of the Company's subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All inter-company balances and transactions have been eliminated on consolidation.

	Place of incorporation	Proportion of ownership interest August 31, 2018
Imperium Mining SAC	Lima, Peru	100%
Minera LBJ SAC	Lima, Peru	100%
Lida Resources SAC	Lima, Peru	100%

(c) Use of Estimates and Judgments

The preparation of these consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Use of Estimates and Judgments (continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. Significant areas requiring the use of estimates include the following:

(i) Valuation of mineral interests

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of operations and comprehensive loss in the period when the new information becomes available.

(ii) Going concern

The application of the going concern assumption requires management to take into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

(iii) Deferred income tax assets

Valuation of deferred tax assets requires the Company to estimate the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities. The Company applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

(iv) Functional currency

Determination of functional currency may involve certain judgments to determine the primary economic environment. The Company reconsiders the functional currency of the group if there is a change in events and conditions, which determined the primary economic environment. Management has determined that the functional currency for the Company is the Canadian dollar and the functional currency of the Peruvian subsidiaries is the Peruvian Sol.

(d) Foreign Currency Translation

The functional currency of the Company and each of its subsidiaries is the currency of the primary economic environment in which they operate. The consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency. The Company's Peruvian subsidiaries had a Peruvian Sol functional currency. Transactions in currencies other than an entity's functional currency are recorded at exchange rates prevailing on the dates of the transactions.

The consolidated financial statements of subsidiaries that have a functional currency other than the Canadian dollar were translated into Canadian dollars as follows: assets and liabilities – at the closing rate at the date of the statement of financial position, and income and expenses – at the average rate for the period. All resulting changes are recognized in other comprehensive income (loss) as foreign currency translation adjustments.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Mineral Interests

All of the Company's projects are currently in the exploration and evaluation phase.

(i) Pre-exploration costs

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

(ii) Exploration and evaluation assets and expenditures

Once the legal right to explore a property has been acquired, costs directly related to the acquisition of the exploration and evaluation assets are capitalized, on an area-of-interest basis. Subsequently the exploration and evaluation assets are carried at cost less any impairment, until such time as the assets are substantially ready for their intended use, being commercial production at operating levels intended by management, or sale.

Exploration expenditures incurred during the exploration and evaluation phase are expensed as incurred and included in profit or loss.

The Company assesses interests in exploration properties for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mine development costs". Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to property carrying values.

(f) Impairment of Non-Current Assets

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there are any indications of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit ("CGU") to which the asset belongs. The recoverable amount is determined as the higher of fair value less direct costs to sell and the asset's value in use. In assessing value in use, the estimated future cash flows are discounted to their present value. Estimated future cash flows are calculated using estimated recoverable reserves, estimated future commodity prices, and the expected future operating and capital costs. The pre-tax discount rate applied to the estimated future cash flows reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the carrying amount of an asset or CGU exceeds its recoverable amount, the carrying amount of the asset or CGU is reduced to its recoverable amount through an impairment charge to the statement of operations and comprehensive loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Impairment of Non-Current Assets (continued)

Assets that have been impaired are tested for possible reversal of the impairment whenever events or changes in circumstance indicate that the impairment may have reversed. When an impairment subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation, depletion and amortization) had no impairment loss been recognized for the asset or CGU in prior periods. A reversal of impairment is recognized as a gain in the consolidated statement of operations and comprehensive loss.

(g) Reclamation and Remediation Provisions

The Company recognizes a provision for statutory, contractual, constructive or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties, plant and equipment. Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired, and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability including risks specific to the countries in which the related operation is located.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset in mineral properties, plant, and equipment. These costs are depreciated using either the unit of production or straight-line method depending on the asset to which the obligation relates.

The obligation is increased for the accretion and the corresponding amount is recognized as a finance expense. The obligation is also adjusted for changes in the estimated timing, amount of expected future cash flows, and changes in the discount rate. Such changes in estimates are added to or deducted from the related asset except where deductions are greater than the carrying value of the related asset in which case, the amount of the excess is recognized in the consolidated statement of operations and comprehensive loss.

Due to uncertainties concerning environmental remediation, the ultimate cost to the Company of future site restoration could differ from the amounts provided. The estimate of the total provision for future site closure and reclamation costs is subject to change based on amendments to laws and regulations, changes in technology, price increases and changes in interest rates, and as new information concerning the Company’s closure and reclamation obligations becomes available.

(h) Income Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in the consolidated statement of operations and comprehensive loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Income Taxes (continued)

Deferred income tax

Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(j) Financial Instruments

(i) Non-derivative financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

Financial assets at fair value through profit or loss

Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Financial assets are classified as fair value through profit or loss when the financial asset is held for trading or it is designated as fair value through profit or loss. A financial asset is classified as held for trading if: (i) it has been acquired principally for the purpose of selling in the near future; (ii) it is a part of an identified portfolio of financial instruments that the Company manages and has an actual pattern of short-term profit taking; or (iii) it is a derivative that is not designated and effective as a hedging instrument.

Financial assets classified as fair value through profit or loss are stated at fair value with any gain or loss recognized in the consolidated statement of operations and comprehensive loss. The net gain or loss recognized incorporates any dividend or interest earned on the financial asset. Cash is classified as fair value through profit or loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs and are measured at amortized cost using the effective interest method, less any impairment losses, subsequent to initial recognition. Loans and receivables are comprised of amounts receivable.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Financial Instruments (continued)

(i) Non-derivative financial assets (continued)

Held-to-maturity investments

Held-to-maturity investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs. The Company does not have any assets classified as held-to-maturity investments.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale equity instruments, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an investment is derecognized, the cumulative gain or loss in other comprehensive income is transferred to the statement of operations and comprehensive loss. The Company does not have any assets classified as available-for-sale financial assets.

Impairment of financial assets

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income or loss are reclassified to the consolidated statement of operations and comprehensive loss in the period. Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been impacted. For marketable securities classified as available-for-sale, a significant or prolonged decline in the fair value of the securities below their cost is considered to be objective evidence of impairment.

For certain categories of financial assets, such as amounts receivable, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of amounts receivable, where the carrying amount is reduced through the use of an allowance account. When an amount receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the consolidated statement of operations and comprehensive loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the consolidated statement of operations and comprehensive loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized. In respect of available-for-sale equity securities, impairment losses previously recognized through the consolidated statement of operations and comprehensive loss are not reversed through the consolidated statement of operations. Any increase in fair value subsequent to an impairment loss is recognized directly in equity.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Financial Instruments (continued)

(ii) Non-derivative financial liabilities

The Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire.

Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company's non-derivative financial liabilities include accounts payable and accrued liabilities.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

(iii) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity, net of any tax effects.

(m) Comprehensive Loss

Comprehensive loss is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in the consolidated statement of operations and comprehensive loss. The Company's only component of comprehensive loss is unrealized holding gains and losses on available-for-sale securities.

(n) Accounting Standards Issued but Not Yet Effective

The following is an overview of new accounting standards that the Company will be required to adopt in future periods. The Company does not expect to adopt any of these standards before their effective dates and expects no significant effect on the Company's consolidated financial statements when adopted. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

- **IFRS 9** *Financial Instruments* **-** This standard provides added guidance on the classification and measurement of financial liabilities. The standard is effective for annual periods beginning on or after January 1, 2018.

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Accounting Standards Issued but Not Yet Effective (Continued)

- **IFRS 2** *Classification and Measurement of Share-based Payment Transactions* – The amendments provide requirements on accounting for the effect of vesting and non-vesting conditions on the measurement of cash settled share-based payments, share-based transactions with a net settlement feature for withholding tax obligations and a modification to the terms and conditions of a share-based payment that changes the classification of the transactions from cash-settled to equity-settled. This standard is effective for reporting periods beginning on or after January 1, 2018.

- **IFRS 16** *Leases* – This standard specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 Leases. The standard was issued in January 2016 and is effective for annual periods beginning on or after January 1, 2019.

3. ACQUISITION OF IMPERIUM MINING SAC AND MINERA LBJ SAC

Imperium Mining SAC

On December 27, 2017, the Company acquired 100% of the issued and outstanding shares of Imperium Mining SAC, ("Imperium") an inactive Peruvian company incorporated on January 30, 2017. Total consideration for the acquisition was a cash payment of $999 soles ($394) and the issuance of 10,000,000 common shares of the Company at an estimated fair value of $0.07 per share. Under the terms of the agreement, Imperium was required to complete the acquisition of the San Vicente property on or before May 31, 2018. Imperium completed the acquisition of the San Vicente property on March XX, 2018 for total payment of US $100,000.

The acquisition of Imperium was recorded in the accounts of the Company at its fair value determined as follows:

10,000,000 shares issued to the shareholder of Imperium	$	700,000
Cash consideration		394
Total	$	700,394

Summary of the allocation of the cost of the acquisition is as follows

Mineral properties - San Vicente property	$	700,394

Minera LBJ SAC

On December 26, 2017, the Company acquired 100% of the issued and outstanding shares of Minera LBJ SAC, ("Minera"), an inactive Peruvian company which has a 44.5% interest in the issued and outstanding shares of Rial Minera SAC ("Rial"), an inactive Peruvian company which owns a 100% interest in the Las Huaquillas property. Total consideration for the acquisition was a cash payment of 1,799 soles ($710) and the issuance of 15,000,000 common shares at an estimated fair value of $0.07 per share. Subsequent to August 31, 2018, the Company disposed of its interest in Minera (see note 11)

(Expressed in Canadian dollars)

3. ACQUISITION OF IMPERIUM MINING SAC AND MINERA LBJ SAC (Continued)

The acquisition of Minera was recorded in the accounts of the Company at its fair value determined as follows:

15,000,000 shares issued to the shareholder of Minera	$	1,050,000
Cash consideration		710
Total	$	1,050,710

Summary of the allocation of the cost of the acquisition is as follows

Mineral properties – Las Huaquillas property	$	1,050,710

4. MINERAL INTERESTS

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims, as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties.

Acquisition costs:

		San Vicente		Las Huaquillas		Total
Acquisitions of Imperium and Minera LBJ	$	700,394	$	1,050,710	$	1,751,104
Payment to acquire rights to San Vicente		126,981		-		126,981
Balance, August 31, 2018	$	827,375	$	1,050,710	$	1,878,085

Exploration and evaluation costs:

For the period from incorporation on September 8, 2017 to August 31, 2018:

		San Vicente		Las Huaquillas		2018
Licenses, taxes, and claim fees	$	35,219	$	23,359	$	58,578
Geology, lab and other fees		15,772		-		15,772
Camp operations		13,354		-		13,354
Professional fees		12,151		-		12,151
Transportation		10,438		-		10,438
Community relations		8,104		-		8,104
Management and consulting		6,625		-		6,625
Rent		2,943		-		2,943
Environmental expenditures		3,216		-		3,216
		107,822	$	23,359	$	131,181

San Vicente, Peru

On March 5, 2018 Imperium acquired 100% of the San Vicente mineral property, which comprised of one mining concession located in the western side of the Central Andean Cordillera in Northern Peru. Imperium acquired the property by paying US$ 100,000. The funds were advanced by Lida prior to the Company acquiring Imperium.

4. MINERAL INTERESTS (Continued)

Las Huaquillas, Peru

On May 8, 2018, Minera acquired 44.5% of Rial, a Peruvian company, by paying 445 soles. Rial owns a 100% interest in the Huaquillas mineral property located north of Lima, ten kilometers south of the Ecuadorian border.

5. SHARE CAPTIAL

Authorized: Unlimited number of common shares without par value

Unlimited number of Non-Voting shares without par value, with the same terms as common shares except are non-voting.

Unlimited number of First Preferred shares without par value, with preference on liquidation over common shares, Non-voting shares and second Preferred shares. The board may issue in one or more series before issuing and fix the designation, rights, privileges, restrictions and conditions attached to each series of first preferred shares before issuance.

Unlimited number of Second Preferred shares without par value, with preference on liquidation over common shares and Non-voting shares. The board may issue in one or more series before issuing and fix the designation, rights, privileges, restrictions and conditions attached to each series of first preferred shares before issuance.

Issued:

At incorporation on September 8, 2017, the Company issued 667 common shares at $0.03 per share for proceeds of $20.

During the period from incorporation on September 8, 2017 to August 31, 2018 the Company:

(a) Issued 10,000,000 common shares to acquire 100% of the outstanding shares of Imperium Mining SAC (note 3). The shares were issued at a value of $0.07 per share.

(b) Issued 15,000,000 common shares of the Company to acquire 100% of the outstanding shares of Minera LBJ (note 3). The shares were recorded at an fair value of $0.07 per share.

(c) Issued 2,000,667 seed shares for total proceeds of $60,020 at a price of 0.03 per share to directors of the Company.

(d) Issued 4,560,000 shares for total proceeds of $319,200 at a price of 0.07 per share to investors and incurred $12,133 in share issue costs.

(Expressed in Canadian dollars)

6. FINANCIAL INSTRUMENTS AND RISKS

(a) Fair values

Assets and liabilities measured at fair value on a recurring basis are presented on the Company's consolidated statement of financial position as at August 31, 2018 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)	Balance, August 31, 2018
Assets:				
Cash	$ 46,088	$ -	$ -	$ 46,088
	$ 46,088	$ -	$ -	$ 46,088

The fair values of other financial instruments, which include accounts receivable, accounts payable and accrued liabilities, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Credit risk is the risk of an unexpected loss if an exploration partner, counterparty or third party to a financial instrument fails to meet its contractual obligations. To reduce credit risk, cash is on deposit at major financial institutions. The Company is not aware of any counterparty risk that could have an impact on the fair value of its cash. The carrying value of the financial assets represents the maximum credit exposure.

The Company minimizes credit risk by reviewing the credit risk of the counterparties to its arrangements on a periodic basis. The Company's concentration of credit risk and maximum exposure thereto relates to its cash in the amount of $46,088 and accounts receivable in the amount of $3,081.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. All of the Company's financial liabilities have contractual maturities of less than 90 days. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. As at August 31, 2018, the cash balance of $46,088 will not be sufficient to meet its obligations related to its accounts payable and accrued liabilities of $121,197 and required administrative and exploration and evaluation expenditures over the next twelve months. The Company will be required to raise additional capital in the future to fund its operations.

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market price:

a. Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages its interest rate risk by maximizing the interest earned on excess funds while maintaining the liquidity necessary to fund daily operations. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short term to maturity of the investments held.

6. FINANCIAL INSTRUMENTS AND RISKS (Continued)

b. Foreign currency risk

The Company is exposed to foreign currency risk, as certain monetary financial instruments are denominated in US dollars and Peruvian Sols. At August 31, 2018, the carrying amounts of the Company's foreign currency denominated monetary assets and liabilities are as follows:

	As at August 31, 2018	
	Peruvian Sol	US dollars
Cash	2,210	1,684
Accounts receivable	1,875	-
Accounts payable	(4,037)	(49,057)
	48	(47,373)

The Company has not entered into any foreign currency contracts to mitigate this risk. The Company's sensitivity analysis suggests that a change in the absolute rate of exchange in the US dollar by 5% would increase or decrease net loss by approximately $2,400. A change in the absolute rate of exchange in the Peruvian Sol would not have a significant impact on profit or loss for the Company.

c. Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to such risk.

7. RELATED PARTY TRANSACTIONS

During the period ended August 31, 2018, the Company entered into two purchase agreements with the Chief Executive Officer ("CEO") of the Company, who was the sole shareholder and director of the Company at the time of the transaction. The Company entered into these agreements to acquire Imperium and Minera for the purpose of acquiring the San Vicente property and 44.5% interest in Las Huaquillas property. Of the total 25,000,000 common shares issued by the Company, 20,000,000 common shares were issued to the CEO. These common shares were valued at the fair value of the shares at the time of the transaction.

During the period ended August 31, 2018, the Company incurred $3,000 of consulting fees to the CEO. As at August 31, 2018 the Company owed $3,000 to the CEO, which is included in accounts payable and accrued liabilities.

(Expressed in Canadian dollars)

8. SEGMENTED INFORMATION

During the period ended August 31, 2018, the Company operated in one industry segment: mineral exploration; within the two geographic segments of Canada and Peru. The Company and all subsidiaries are operated as one entity with a common management located at the Company's head office in Canada. The Company's non-current assets by geographic area as at August 31, 2018 are as follows:

	Canada	Peru	**2018** Total
Non-current assets			
Mineral properties	$ -	$ 1,878,085	$ 1,878,085
	$ -	$ 1,878,085	$ 1,878,085

9. CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital.

The Company manages its capital structure and adjusts it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through issuance of new shares or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged since incorporation.

10. INCOME TAXES

(a) Reconciliation of effective tax rate

Income tax expense differs from the amount that would be computed by applying the applicable Canadian statutory income tax rate to income before income taxes. The significant reasons for the differences for the period from incorporation on September 8, 2017 to August 31, 2018 are as follows:

Loss before income taxes		248,846
Canadian statutory income tax rate		26.83%
Income tax recovery at statutory rate	$	(66,765)
Tax effect of:		
Differences between Canadian and foreign tax rates		(3,264)
Other		632
Effect of change in enacted tax rates		(706)
Impact of foreign exchange on tax assets and liabilities		(631)
Unrecognized deferred income tax assets		70,734
Income tax provision	$	–

Effective January 1, 2018, the British Columbia provincial tax rate increased from 11% to 12%, resulting in an increase in the combined Canadian Federal and Provincial statutory tax rate of 27% starting 2018 and thereafter.

(Expressed in Canadian dollars)

10. INCOME TAXES (continued)

(b) Unrecognized deferred tax assets and liabilities

The Company recognizes tax benefits on losses or other deductible amounts where it is more likely than not that the deferred tax asset will be realized. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consists of the following amounts:

		2018
Unrecognized deductible temporary differences and unused tax losses:		
Non-capital losses carried forward	$	248,846
Share issue cost		9,707
Unrecognized deductible temporary differences	$	258,553

(c) Tax loss carry forwards

As at August 31, 2018, the Company has non-capital losses carried forward of $248,846 which are available to offset future periods' taxable income. These losses expire as follows:

		Canada		Peru		Total
2038	$	114,879	$	-	$	114,879
Indefinite		-		133,967		133,967
	$	114,879	$	133,967	$	248,846

11. SUBSEQUENT EVENT

Subsequent to August 31, 2018:

a) The Company received proceeds of $166,805 for the issuance of 2,382,929 shares at a price of $0.07 per share and $28,000 for the issuance of 933,333 shares at a price of $0.03 per share for director's shares.

b) On December 4, 2018, the Company entered into an agreement with Montan Mining Corp ("Montan"), a public Canadian corporation, to dispose of its interest in the Huaquillas property through the sale of its subsidiary, Minera. As consideration, the Company received 25,000,000 shares and 12,500,000 share purchase warrants of Montan. The shares were valued at $0.035 per share, the market value of Montan shares at the time of closing, and the warrants were valued at $0.033 using the Black-scholes option pricing model.

c) The Company completed a distribution of the Montan shares and warrants received from the sale of Minera by way of return of capital. In accordance with the terms of the arrangement, the Company transferred 100% of it's investment in Montan to its shareholders on a proportional basis.

11. SUBSEQUENT EVENT (continued)

d) The Company intends to file a prospectus with the securities regulatory authorities in the Provinces of Ontario, Alberta and British Columbia and with the CSE. At a price of $0.10, the minimum size of the Offering is intended to be 6,000,000 Units for gross proceeds of $600,000, and the maximum size of the Offering is intended to be 7,450,000 Units for gross proceeds of $745,000. Each Unit is comprised of one common share in the capital of the Company ("Common Share") and one-half of one common share purchase warrant (each whole warrant, a "Warrant") entitling the holder to acquire one Common Share at a price of $0.25 per share until the date that is 24 months following the closing of the Offering, subject to the option of the Company to accelerate the expiry date of the Warrants if the weighted average trading price of the Common Shares during the 20 consecutive trading days immediately prior to the date on which such calculation is made is greater than $0.25. The Offering is being made pursuant to the terms of an agency agreement dated [·], 2019 between the Company and Leede Jones Gable Inc. (the "Agent"). The Closing (as defined herein) will be completed on [·], 2018, or such other date as the Company and the Agent may agree but in any event no later than [·], 2019.

LIDA RESOURCES INC.

Condensed Interim Consolidated Financial Statements

For the Six Months Ended February 28, 2019

(Unaudited – Expressed in Canadian dollars)

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

LIDA RESOURCES INC.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited – Expressed in Canadian dollars)

	February 28, 2019	August 31, 2018
ASSETS		
CURRENT ASSETS		
Cash	$ 7,397	$ 46,088
Accounts receivable	9,127	3,081
Prepaid expenses	53,610	57,389
	70,134	106,558
Mineral interests (notes 5)	830,362	1,878,085
TOTAL ASSETS	$ 900,496	$ 1,984,643
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 165,270	$ 121,197
TOTAL LIABILITIES	165,270	121,197
SHAREHOLDERS' EQUITY		
Share capital (note 6)	933,112	2,117,107
Accumulated other comprehensive loss	(2,562)	(4,815)
Deficit	(195,324)	(248,846)
TOTAL SHAREHOLDERS' EQUITY	735,226	1,863,446
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 900,496	$ 1,984,643

Nature of operations and going concern (Note 1)
Subsequent event (Note 11)

Approved and authorized for issue by the Board of Directors on July 23, 2019

/s/ (signed) "*Leonard De Melt*"
Director

/s/ (signed) "*Andrew von Kursell*"
Director

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

LIDA RESOURCES INC.

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

(Unaudited – Expressed in Canadian dollars)

	For the three months ended February 28, 2019	For the three months ended February 28, 2018	For the Six months ended February 28, 2019	For the period from September 8, 2017 (incorporation) to February 28, 2018
EXPENSES				
Bank charges	$ 432	$ 56	$ 894	$ 68
Consulting	11,550	30,610	25,260	33,010
Exploration and evaluation costs (Note 5)	35,299	-	79,226	-
General and administrative	4,714	-	8,924	-
Professional fees	33,678	2,790	65,692	2,790
Travel	1,268	-	1,268	-
Loss before other expenses	(86,941)	(33,456)	(181,264)	(35,868)
Other income (expense)				
Foreign exchange gain	2,260	-	2,170	-
Gain on sale of subsidiary (note 5)	232,616	-	232,616	-
Total other income (expenses)	234,876	-	234,786	-
Net income (loss) for the period	$ 147,935	$ (33,456)	$ 53,522	(35,868)
Comprehensive loss				
Items that will be recycled to profit or loss:				
Unrealized gain on exchange	2,206	-	2,253	-
Comprehensive income (loss) for the period	$ 150,141	$ (33,456)	$ 55,775	$ (35,868)
Basic and diluted loss per share	$ 0.00	$ (0.00)	$ 0.00	$ (0.00)
Weighted average number of common shares outstanding – basic and diluted	33,433,231	30,874,667	32,935,739	9,636,926

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

LIDA RESOURCES INC.
Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited – Expressed in Canadian dollars)

	Share capital		Accumulated other comprehensive income (loss)	Deficit	Total
	Number of shares	Amount			
Balance, September 8, 2017 (date of incorporation)	667	$ 20	$ -	$ -	$ 20
Issuance of shares on private placement	5,874,000	357,820	-	-	357,820
Shares issued on acquisition of Imperium Mining SAC	10,000,000	700,000	-	-	700,000
Shares issued on acquisition of Minera LBJ SAC	15,000,000	1,050,000	-	-	1,050,000
Net loss for the period	-	-	-	(35,868)	(35,868)
Balance, February 28, 2018	30,874,667	2,107,840	-	(35,868)	2,071,972
Issuance of shares on private placement	687,667	21,400	-	-	21,400
Share issue cost		(12,133)			(12,133)
Unrealized gain on exchange	-	-	(4,815)	-	(4,815)
Net loss for the period	-	-	-	(212,978)	(212,978)
Balance, August 31, 2018	31,561,334	2,117,107	(4,815)	(248,846)	1,863,446
Issuance of shares on private placement	2,019,119	104,005	-	-	104,005
Distribution of Fidelity shares as return of capital (note 6)	-	(1,288,000)	-	-	(1,288,000)
Unrealized gain on exchange	-	-	2,253	-	2,253
Net income for the period	-	-	-	53,522	53,522
Balance, February 28, 2019	33,580,453	$ 933,112	$ (2,562)	$ (195,324)	$ 735,226

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

LIDA RESOURCES INC.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited – Expressed in Canadian dollars)

	For the Six months ended February 28, 2019	For the period from September 8, 2017 (incorporation) to February 28, 2018
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net loss for the period	$ 53,522	$ (35,868)
Gain on sale of subsidiary	(232,616)	
Changes in non-cash working capital items:		
Accounts receivable	(34,075)	-
Prepaid expenses	3,779	(47,677)
Accounts payable and accrued liabilities	66,694	2,790
Net cash used in operating activities	(142,696)	(80,755)
FINANCING ACTIVITIES		
Shares issued on private placement	104,005	20
Share subscriptions received	-	357,820
Net cash provided by financing activities	104,005	357,840
Increase (decrease) in cash	(38,691)	277,085
Cash, beginning of period	46,088	-
Cash, end of period	$ 7,397	$ 277,085

Supplemental cash-flow information		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -
Non-cash transactions		
Shares issued for acquisition of Imperium Mining SAC (note 3)	-	700,000
Shares issued for acquisition of Minera LBJ SAC (note 3)	-	1,050,000
Disposition of mineral properties and accounts receivable for Fidelity Minerals shares received	1,055,384	
Distribution of investment in Fidelity Minerals shares to Lida shareholders	$ 1,288,000	$ -

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Lida Resources Inc. (the "Company") was incorporated pursuant to the Business Corporations Act of British Columbia on September 8, 2017 and is an exploration stage company. The Corporation's head, registered and records office is located at Suite 2400, 525 8 Avenue SW, Calgary, Alberta, T2P 1G1.

These condensed interim consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at February 28, 2019, the Company has a working capital deficit of $95,136 has not generated any revenues from operations and has an accumulated deficit of $195,324. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. These condensed interim consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. BASIS OF PRESENTATION

[a] Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"). They do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's annual audited consolidated financial statements for the fiscal period ended August 31, 2018, which have been prepared with International Financial Reporting Standards ("IFRS"). These condensed interim consolidated financial statements were approved by the Company's Board of Directors on June XX, 2018.

[b] Basis of measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial assets and financial liabilities to fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

[c] Functional and foreign currency

These condensed interim consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. The Company's Peruvian subsidiaries have a Peruvian Sol functional currency. Transactions in other than an entity's functional currency are recorded at exchange rates prevailing on the dates of the transactions.

The consolidated financial statements of subsidiaries that have a functional currency other than the Canadian dollar were translated into Canadian dollars as follows: assets and liabilities – at the closing rate at the date of the statement of financial position, and income and expenses – at the average rate for the period. All resulting changes are recognized in other comprehensive income as foreign currency translation adjustments.

	Place of incorporation	Proportion of ownership interest August 31, 2018
Imperium Mining SAC	Lima, Peru	100%
Lida Resources SAC	Lima, Peru	100%

2. BASIS OF PRESENTATION (CONTINUED)

[d] Significant accounting estimates and judgments

The preparation of these condensed interim consolidated 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 condensed interim consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed interim consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed interim consolidated 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. The Company reviews its estimates and underlying assumptions on an ongoing basis.

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements:

i. Management is required to assess the functional currency of the Company. In concluding that the Canadian dollar is the functional currency of the Company, management considered the currency that mainly influences the operating expenditures in the jurisdiction in which the Company operates.

ii. The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management.

iii. Management is required to determine whether or not the going concern assumption is appropriate for the Company at the end of each reporting period. Considerations taken into account include available information about the future including the availability of financing and revenue projection, as well as liquidity of its assets, current working capital balance and future commitments of the Company.

Estimation Uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the current and next fiscal financial years:

i. Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxation authorities. Where the final outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

ii. Management uses the Black-Scholes Option Pricing Model for valuation of investment in warrants, which requires the input of subjective assumptions including expected price volatility, risk-free interest rates and forfeiture rates. Changes in the input assumptions can materially affect the fair value estimate and the Company's results of operations.

2. BASIS OF PRESENTATION (CONTINUED)

[d] Significant accounting estimates and judgments (continued)

Estimation Uncertainty (continued)

iii. The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

iv. The fair value of accrued liabilities at the time of initial recognition is made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors.

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim consolidated financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited annual consolidated financial statements for the fiscal period ended August 31, 2018. In addition, the following accounting policies have been applied in these condensed interim consolidated financial statements.

4. RECENT ACCOUNTING PRONOUNCEMENTS

New Standards Recently Adopted

i. Financial instruments

The Company adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") as of September 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application. The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

4. RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

i. Financial instruments (Continued)

The Company completed a detailed assessment of its financial assets and liabilities as at September 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

Financial assets/liabilities	Original classification IAS 39	New classification IFRS 9
Cash	FVTPL	FVTPL
Accounts receivable	Amortized cost	Amortized cost
Accounts payable and accrued liabilities	Amortized cost	Amortized cost

The Company did not restate prior periods as it recognized the effects of retrospective application to shareholders' equity at the beginning of the 2018 annual reporting period, which also includes the date of initial application. The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated other comprehensive income on September 1, 2018.

(ii) Measurement

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of operations. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of operations in the period in which they arise.

Financial assets and liabilities carried at FVTOCI are initially recorded at fair value and transaction costs are expensed in the statement of operations. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTOCI are included as accumulated other comprehensive income and will not recycle to profit and loss.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of operations, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(Unaudited - Expressed in Canadian dollars)

4. RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

ii. Financial instruments (Continued)

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of operations.

New Standards Not Yet Effective

The following is an overview of new accounting standards that the Company will be required to adopt in future years. The Company does not expect to adopt any of these standards before their effective dates. The Company continues to evaluate the impact of these standards on its condensed interim consolidated financial statements.

- IFRS 16 - Leases – This standard specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 Leases. The standard was issued in August 2016 and is effective for annual periods beginning on or after August 1, 2019.

5. MINERAL INTERESTS

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties.

Mineral interest acquisition costs:

	San Vicente	Las Huaquillas	Total
Acquisitions:			
Acquisition of:			
Imperium Mining SAC by issuing 10,000,000 shares at a value of $0.07 per share	$ 700,000	$ -	$ 700,000
Minera LBJ SAC by issuing 15,000,000 shares at a value of $0.07 per share	-	1,050,000	1,050,000
Cash Payments	127,375	710	127,691
Balance, August 31, 2018	$ 827,375	$ 1,050,710	$ 1,878,085
Foreign currency adjustment	2,987	-	2,987
Disposition of Minera LBJ	-	(1,050,710)	(1,050,710)
Balance, February 28, 2019	$ 830,362	$ --	$ 830,362

(Unaudited - Expressed in Canadian dollars)

5. MINERAL INTERESTS (continued)

Exploration and evaluation costs:

Period ended February 28, 2019

		San Vicente		2018		2017
Licenses, taxes, and claim fees	$	-	$	-	$	-
Geology, lab and other fees		5,379		5,379		-
Camp operations		11,966		11,966		-
Professional fees		11,779		11,779		-
Transportation		6,553		6,553		-
Community relations		24,390		24,390		-
Management and consulting		8,074		8,074		-
Rent		2,785		2,785		-
Wages and salaries		4,410		4,410		
Environmental expenditures		3,890		3,890		-
	$	79,226	$	79,226	$	-

San Vicente, Peru

On March 5, 2018 Imperium Mining SAC ("Imperium") acquired 100% of the San Vicente mineral property, which comprised of one mining concession located in the western side of the Central Andean Cordillera in Northern Peru. Imperium acquired the property by paying US$ 100,000. The funds were advanced by Lida prior to the Company acquiring Imperium.

Las Huaquillas, Peru

On May 8, 2018, Minera LBC SAC ("Minera LBJ") acquired 44.5% of Rial, a Peruvian company, by paying 445 soles. Rial owns a 100% interest in the Huaquillas mineral property located north of Lima, ten kilometers south of the Ecuadorian border.

On December 4, 2018, the Company entered into an agreement with Montan Mining Corp ("Montan") to sell the Huaquillas property through the sale of the its subsidiary Minera LBJ. As consideration, the Company received 25,000,000 Shares and 12,500,000 share purchase warrants of Montan. The shares were valued at acquisition at $0.035, the market value of Montan shares at the time of closing, and the warrants were valued at $0.033 valued using the Black-scholes option model. The fair value of the warrants was determined using the Black-Scholes pricing model unther the following assumptions: Estimated volatility 183.93%, Risk-free rate 2.41%, Dividend yield 0%, Expected life 5 years, stock price $0.035.

Proceeds of disposition		
Valuation of shares	$	875,000
Valuation of warrants		413,000
Total proceeds		1,288,000
Net assets disposed		
Las Huaquillas mineral property		(1,050,710)
Other working capital items disposed		(4,674)
		(1,055,384)
Gain on disposition of Minera LBJ	**$**	**232,616**

(Unaudited - Expressed in Canadian dollars)

6. SHARE CAPTIAL

Authorized: Unlimited number of common shares without par value

Issued:

(a) During the period ended February 28, 2019, the Company issued 1,085,786 shares for total proceeds of $76,005 at a price of $0.07 per share to investors.

(b) During the period ended February 28, 2019, the Company issued 933,333 shares for total proceeds of $28,000 at a price of $0.03 per share to directors.

During the period ended February 28, 2019 the Company distributed the Fidelity Minerals Inc (formerly Montan Mining Corp.) shares and warrants received on the sale of Minera LBJ to its shareholders by way of return of capital. In accordance with the terms of the arrangement, the Company transferred 100% of it's investment in Fidelity to its shareholders on a proportional basis. The value of the distribution was the same as the value of assigned to the shares and warrants received as the distribution was imitate following the acquisition of the securities.

7. FINANCIAL INSTRUMENTS AND RISKS

(a) Fair values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's consolidated statement of financial position as at February 28, 2019 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)	Balance, February 28, 2019
Assets:				
Cash	$ 7,397	$ –	$ –	$ 7,397
	$ 7,397	$ –	$ –	$ 7,397

	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)	Balance, August 31, 2018
Assets:				
Cash	$ 46,088	$ –	$ –	$ 46,088
	$ 46,088	$ –	$ –	$ 46,088

The fair values of other financial instruments, which include accounts receivable, accounts payable and accrued liabilities, approximate their carrying values due to the relatively short-term maturity of these instruments.

(Unaudited - Expressed in Canadian dollars)

7. FINANCIAL INSTRUMENTS AND RISKS (Continued)

(b) Credit Risk

Credit risk is the risk of an unexpected loss if an exploration partner, counterparty or third party to a financial instrument fails to meet its contractual obligations. To reduce credit risk, cash is on deposit at major financial institutions. The Company is not aware of any counterparty risk that could have an impact on the fair value of such investments. The carrying value of the financial assets represents the maximum credit exposure.

The Company minimizes credit risk by reviewing the credit risk of the counterparties to its arrangements on a periodic basis. The Company's concentration of credit risk and maximum exposure thereto relates to its cash held in the amount of $7,397 and accounts receivable in the amount of $3,180.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. All of the Company's financial liabilities have contractual maturities of less than 90 days. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. As at February 28, 2019, the cash balance of $7,397 will not be sufficient to meet its obligations related to its accounts payable and accrued liabilities of $165,270 and required administrative and exploration and evaluation expenditures over the next twelve months. The Company will be required to raise additional capital in the future to fund its operations.

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market price

a. Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages its interest rate risk by maximizing the interest earned on excess funds while maintaining the liquidity necessary to fund daily operations. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short term to maturity of the investments held.

b. Foreign currency risk

The Company is exposed to foreign currency risk, as certain monetary financial instruments are denominated in US and Peruvian Soles. At February 28, 2019 the carrying amounts of the Company's foreign currency denominated monetary assets are as follows:

	February 28, 2019		August 31, 2018	
	Peruvian Sol	US dollars	Peruvian Sol	US dollars
Cash	3,301	6,542	2,210	1,684
Accounts receivable	241	2,301	1,875	-
Accounts Payable	(61,410)	(34,629)	(4,037)	(49,057)

The Company has not entered into any foreign currency contracts to mitigate this risk. The Company's sensitivity analysis suggests that a change in the absolute rate of exchange in the Peruvian Sol by 5% would increase or decrease net loss by approximately $2,300.

(Unaudited - Expressed in Canadian dollars)

7. FINANCIAL INSTRUMENTS AND RISKS (Continued)

(d) Market risk

c. Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to such risk.

8. RELATED PARTY TRANSACTIONS

During the six months ended February 28, 2019, the Company incurred $18,000 (2018 - $nil) of consulting fees to the CEO, as at February 28, 2019 the Company was indebted to the CEO for $nil.

9. SEGMENTED INFORMATION

During the period ended February 28, 2019, the Company operated in one industry segment: mineral exploration; within the two geographic segments of Canada and Peru. The Company and all subsidiaries are operated as one entity with a common management located at the Company's head office in Canada. The Company's non-current assets by geographic areas at February 28, 2019 are as follows:

			February 28, 2019
	Canada	Peru	Total
Non-current assets			
Mineral properties	$ -	$ 830,362	$ 830,362
	$ -	$ 830,362	$ 830,362

10. CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital.

The Company manages its capital structure and adjusts it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through issuance of new shares or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged since incorporation.

11. SUBSEQUENT EVENT

a) Subsequent to February 28, 2019, the Company received proceeds of $90,800 for the issuance of 1,297,143 shares at a price of $0.07 per share.

b) The Company intends to file a prospectus with the securities regulatory authorities in the Provinces of Ontario, Alberta and British Columbia and with the CSE. At a price of $0.10, the minimum size of the Offering is intended to be 6,000,000 Units for gross proceeds of $600,000, and the maximum size of the Offering is intended to be 7,450,000 Units for gross proceeds of $745,000. Each Unit is comprised of one common share in the capital of the Company ("Common Share") and one-half of one common share purchase warrant (each whole warrant, a "Warrant") entitling the holder to acquire one Common Share at a price of $0.25 per share until the date that is 24 months following the closing of the Offering, subject to the option of the Company to accelerate the expiry date of the Warrants if the weighted average trading price of the Common Shares during the 20 consecutive trading days immediately prior to the date on which such calculation is made is greater than $0.25. The Offering is being made pursuant to the terms of an agency agreement dated [·], 2019 between the Company and Leede Jones Gable Inc. (the "Agent"). The Closing (as defined herein) will be completed on [·], 2018, or such other date as the Company and the Agent may agree but in any event no later than [·], 2019.

CERTIFICATE OF THE PROMOTER

Dated: July 23, 2019

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

PROMOTER

(signed) "*Leonard De Melt*"

CERTIFICATE OF THE CORPORATION

Dated: July 23, 2019

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

LIDA RESOURCES INC.

(signed) "*Leonard De Melt*"
President and Chief Executive Officer

(signed) "*Xavier Wenzel*"
Chief Financial Officer

On behalf of the Board of Directors

(signed) "*Andrew von Kursell*"
Director

(signed) "*Hugh Maddin*"
Director

CERTIFICATE OF THE AGENT

Dated: July 23, 2019

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

LEEDE JONES GABLE INC.

(signed) "*Richard Carter*"
Senior Vice President, General Counsel & Secretary