A copy of this amended and restated preliminary prospectus has been filed with the securities regulatory authorities in British Columbia, Alberta and Ontario but has not yet become final for the purpose of the sale of securities. Information contained in this amended and restated 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.

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell those securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any applicable state securities laws. Accordingly, the securities offered hereby may not be offered or sold within the United States in the absence of an exemption from the registration requirements of the 1933 Act and applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See "Plan of Distribution".*

AMENDED AND RESTATED PRELIMINARY PROSPECTUS DATED OCTOBER 21, 2019
AMENDING AND RESTATING THE PRELIMINARY PROSPECTUS DATED JULY 23, 2019

Initial Public Offering October 21, 2019

LIDA RESOURCES INC.

7,800,000 Units for $780,000 (the "**Minimum Offering**")
9,000,000 Units for $900,000 (the "**Maximum Offering**")

Price: $0.10 per Unit

This long form 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 7,800,000 Units for gross proceeds of $780,000, and the maximum size of the Offering is 9,000,000 Units for gross proceeds of $900,000. 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 equal to or 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 such date that the Corporation and the Agent mutually determine to close the Offering, in compliance with the regulatory requirements governing distribution of securities, but in any event no later than December 31, 2019.

	Price to the Public	**Agent's Commission (1)**	**Proceeds to Lida (1)(2)**
Per Unit	$0.10	$0.010	$0.09
Minimum Offering	$780,000	$78,000	$702,000
Maximum Offering	$900,000	$90,000	$810,000

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 $74,000. See "*Use of Proceeds*".

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*". Completion of the Offering is subject to a number of conditions, including the approval of the TSXV. The Corporation has applied to the CSE to conditionally approve a listing of the Common Shares. Listing is subject to the Corporation fulfilling all of the 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 7,800,000 Units and up to a maximum of 9,000,000 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 no later than December 31, 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)]	900,000	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 780,000 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.

With respect to forward-looking statements and forward-looking information contained in this Prospectus, assumptions have been made regarding, among other things:

- future minerals prices;
- the Corporation's ability to obtain qualified staff and equipment in a timely and cost–efficient manner;
- the regulatory framework governing royalties, taxes and environmental matters in the jurisdictions in which the Corporation conducts its business and any other jurisdictions in which the Corporation may conduct its business in the future;
- the Corporation's future production levels;
- the applicability of technologies for recovery and production of the Corporation's future mineral reserves;
- the recoverability of the Corporation's mineral resources and reserves;
- future capital expenditures to be made by the Corporation;
- future cash flows from production meeting the expectations stated in this Prospectus;
- future sources of funding for the Corporation's capital program;
- the Corporation's future debt levels;
- geological and engineering estimates in respect of the Corporation's mineral resources and reserves;
- the geography of the areas in which the Corporation is conducting exploration and development activities;
- the intentions of the Board with respect to the executive compensation plans and corporate governance programs described herein;
- the impact of competition on the Corporation; and
- the Corporation's ability to obtain financing on acceptable terms.

Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and included elsewhere in this prospectus, including:

- general economic, market and business conditions;
- uncertainties surrounding the regulatory framework being applied to the Property and the Corporation's ability to be, and remain, in compliance;
- volatility in market prices for mineral resources and hedging activities related thereto;
- potential conflicts of interest;
- risks related to the exploration, development and production of mineral reserves;
- current global financial conditions, including fluctuations in interest rates, foreign exchange rates and stock market volatility;
- uncertainties inherent in estimating quantities of mineral reserves;
- the Corporation's status and stage of development;
- failure to acquire or develop replacement reserves;

- geological, technical, drilling and processing problems, including the availability of equipment and access to the Property;
- failure by counterparties to make payments or perform their operational or other obligations to the Corporation in compliance with the terms of contractual arrangements between the Corporation and such counterparties;
- risks related to the timing of completion of the Corporation's projects;
- competition for, among other things, capital, the acquisition of reserves and resources and skilled personnel;
- operational hazards;
- actions by governmental authorities, including changes in government regulation and taxation;
- environmental risks and hazards;
- risks inherent in the exploration, development and production of mineral reserves which may create liabilities to the Corporation in excess of the Corporation's insurance coverage;
- failure to accurately estimate abandonment and reclamation costs;
- failure of third parties' reviews, reports and projections to be accurate
- the availability of capital on acceptable terms;
- political risks;
- changes to royalty or tax regimes;
- the failure of the Corporation or the holders of certain licenses or leases to meet specific requirements of such licenses or leases;
- claims made in respect of the Corporation's properties or assets;
- operating and capital costs;
- unforeseen title defects;
- risks arising from future acquisition activities;
- hedging strategies;
- the potential for management estimates and assumptions to be inaccurate;
- risks associated with establishing and maintaining systems of internal controls;
- risks related to the reliance on historical financial information, including that historical financial information does not reflect the added costs that the Corporation expects to incur as a public entity;
- volatility in the market price of the Common Shares;
- the absence of an existing public market for the Common Shares;
- the effect that the issuance of additional securities by the Corporation could have on the market price of the Common Shares;
- failure to engage or retain key personnel;
- potential losses which would stem from any disruptions in production, including work stoppages or other labour difficulties, or disruptions in the transportation network on which the Corporation is reliant;
- discretion in the use of proceeds of the Offering; and
- the other factors discussed under "*Risk Factors*".

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.

The forward-looking statements included in this Prospectus are expressly qualified by this cautionary statement and are made as of the date of this Prospectus. The Corporation does not undertake any obligation to publicly update or revise any forward-looking statements except as required by applicable securities laws.

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 September 10, 2019 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 stage one surface exploration program ("**Stage One**") of geophysical analysis, surface channel sampling, underground channel sampling and facilities and drilling construction; and (ii) if warranted by the results of Stage One, a stage two underground exploration program ("**Stage Two**") of underground infrastructure development, geomechanical and lithological mapping and mining mineral treatment (to increase metallurgy data). The estimated budget for Stage One is $250,000 to $300,000, with an expected time frame of 4 months. As of the date hereof, no approximate budget has been calculated for Stage 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 Stage 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 7,800,000 Units for gross proceeds of $780,000 and a maximum of 9,000,000 Units for gross proceeds of $900,000. 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 $702,000 from the Minimum Offering and net proceeds of $810,000 from the Maximum Offering after deducting the Agent's Commission. Total offering expenses excluding agents' commissions are estimated to be $233,500. The Corporation intends to use the available funds as follows:

Item	Minimum Offering ($)	Maximum Offering ($)
Funds Available		
Initial Public Offering (gross proceeds)	780,000	900,000
Agent's Commission	(78,000)	(90,000)
Working capital deficiency at August 31, 2019 (excluding asset held for sale)(1)	(226,000)	(226,000)
Total Funds Available	**476,000**	**584,000**
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)(2)	74,000	74,000
Project manager, qualified person or chief geologist and Peru staff	49,000	64,000
Exploration on the Property(3)	175,000	225,000
Estimated general and administrative expenses for 12 months	166,000	166,000
Unallocated working capital	12,000	55,000
Net Proceeds from Initial Public Offering	**476,000**	**584,000**

Notes:

(1) Includes US$34,000 amount owing to Amazon Global.

(2) Total estimated costs of the Offering are $233,500, of which $74,000 remains outstanding as of the date of this Prospectus. The full costs of the Offering are comprised of $121,000 in legal costs, $50,000 in auditor fees, Agent's fees and expenses totalling $45,000 and transfer agent, applicable filing and listing fees of $17,500. Lida has already booked or paid portions of the aforementioned costs associated with the Offering, which include, $66,000 in legal fees booked as accounts payable and accrued liabilities, $35,000 in audit fees accrued, payment of all $25,000 of the Agent's fees and $20,000 for legal fees to the Agent's legal counsel and expenses and payment of $13,500 of the transfer agent, applicable filing and listing fees.

(3) See "*San Vicente Property - Recommended Work Program*". To date, $76,000 has been spent on the Property.

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.

	Period from Incorporation (September 8, 2017) to August 31, 2018	**Year ended August 31, 2019**
Mineral properties	$1,878,085	$828,079
Total assets	$2,009,643	$915,818
Total revenues	$Nil	$Nil
Long-term debt	$Nil	$Nil
Exploration and evaluation costs	$131,181	$150,476
Other non-exploration and non-evaluation costs(1)	$93,869	$268,434
Other income (expense)	$1,204	$1,343,546
Net income (loss)	$(223,846)	$924,636
Basic and diluted income (loss) per share(2)	$(0.01)	$0.03

Notes:

(1) As at August 31, 2019, other non-exploration and evaluation costs for the year ended August 31, 2019 include consulting expenses of $40,260 (2018 - $37,885); professional fees of $188,342 (2018 - $44,930); general and administration expense of $18,222 (2018 - $4,968); Transfer agent, regulatory and listing fees of $16,040 (2018 - $nil); travel expenses of $3,765 (2018 - $5,298) and bank fees of $1,805 (2018 - $788).

(2) 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, Stage 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.;

"**CEO**" has the meaning set forth under "*Management's Discussion and Analysis – Transactions between Related Parties*";

"**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 on such date that the Corporation and the Agent mutually determine, in compliance with the regulatory requirements governing distribution of securities, but in any event no later than December 31, 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 CBCA;

"**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 year-ended August 31, 2019 and as at August 31, 2018 and from the period from incorporation, September 8, 2017 to August 31, 2018, and the independent auditors' report 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;

"**IFRS**" has the meaning set forth under "*Management's Discussion and Analysis*";

"**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 9,000,000 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 7,800,000 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;

"**Private Placements**" means, together, the non-brokered private placements by the Corporation totalling 9,876,929 Common Shares at a price of $0.03 per share (2,934,000 common shares) and $0.07 per share (6,942,929 common shares), respectively, for total aggregate proceeds of $574,025;

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

"**Prospectus**" means this long form prospectus of the Corporation;

"**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;

"**Stage 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;

"**Stage 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 Stage One, continued development of the underground infrastructure by driving exploration drifts, geomechanical and lithological mapping and mining mineral treatment (to increase metallurgy data);

"**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;

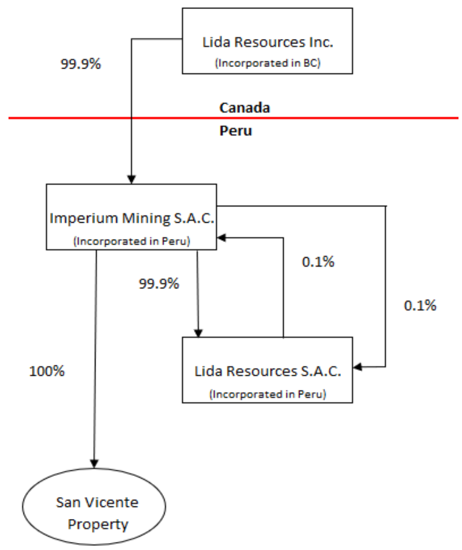
"**Warrant Indenture**" means the warrant indenture to be dated on or about the date of Closing between the Corporation and TSX Trust Company, which will govern the terms and conditions of the Warrants; and

"**$**" 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

Following incorporation, on November 1, 2018, Lida completed a: (i) founders financing of 2,934,000 Common Shares for total proceeds of $88,020 at a price of $0.03 to directors and officers of Lida; and (ii) private placement of 5,752,929 Common Shares for total proceeds of $402,705 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**"). On January 22, 2019 and March 22, 2019 Lida completed a series of private placements of 1,190,000 Common Shares for total proceeds of $83,300 at a price of $0.07 to subscribers pursuant to the exemptions from the prospectus requirements provided for under NI 45-106.

Acquisitions

Minera Purchase Agreement

On March 25, 2011, Inca One Gold Corp. ("**Inca One**") entered into a definitive letter agreement with Rial and its shareholders. (a private Peruvian company that owned a 100% interest in the Las Huaquillas Property). Pursuant to the agreement, Inca One had the option to acquire 100% of the issued and outstanding securities of Rial, which were to be acquired by (a) paying an aggregate of US$5,000,000; (b) issuing 5,000,000 common shares of Rial; and (c) incurring exploration expenditures of US$10,000,000 over a period of four years. After spending US$2,400,000 on the property, Inca One was unable to raise the funds to continue incurring the required expenditures and make the required payments. As a result, Rial ownership reverted back to the original shareholders (Minera owned 44.5% and a Peruvian individual owned 55.5%).

Subsequently, Lida negotiated with Minera's shareholders the purchase of a 100% ownership of Minera, which includes its 44.5% stake in Rial, at a valuation of $1,050,000. While Lida values the property as being worth more than the $1,050,000 it paid for (through the issuance of its Common Shares), no new valuation had been done on the property and Lida was able to negotiate a value of $1,050,000 (this represents a value that is slightly under 50% of the $2,400,000 that Inca One had spent on the property). This value was later confirmed when Montan acquired the property for $2,404,625.

Effective December 26, 2017, the Corporation entered into a purchase and sale agreement (the "**Minera Purchase Agreement**") whereby, pursuant to the terms and conditions of the Minera Purchase Agreement, Lida acquired 99.97% of the issued and outstanding shares of Minera from Leonard De Melt and José Rodriguez for total aggregate consideration of: (i) $710 (1,799 soles); and (ii) 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.

Imperium Purchase Agreement

SMRL was created to hold the San Vicente Property by staking the El Otro Lado mineral claim. Initially, José Rodriguez, directly or indirectly, controlled SMRL and, after staking the claim, a 50% interest in SMRL was agreed to be transferred to Amazon in exchange for a commitment by Amazon to incur US$1,500,000 in expenditures related to the property (note that Amazons' commitment came during a time markets in resource industry were suboptimal). Subsequent to Amazon's commitment, a separate 25% interest in SMRL was transferred to Minera (Mr. Rodriguez owned the majority of the Minera shares, with Mr. De Melt the minority shareholder). When Amazon did not incur the required expenditures an agreement was struck amongst the existing shareholders and it was arranged that the full interest in SMRL would be transferred to Imperium (a Peruvian company that, at the time of this transfer, was wholly-owned directly or indirectly by Messrs. Rodriguez and De Melt) for an aggregate of US$100,000. During this period, approximately US$1,000,000 had been spent on the property, such was the basis on which the negotiation with Lida rested and backstopped the valuation used to sell Imperium to the Corporation (Lida issued Common Shares fair valued at CDN$700,000).

Effective December 27, 2017, the Corporation entered into a purchase and sale agreement (the "**Imperium Purchase Agreement**") whereby, through arm's length negotiations and pursuant to the terms and conditions of the Imperium Purchase Agreement, 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) $394 (999 soles); and (ii) 10,000,000 Common Shares fair valued at a price of $0.07 per Common Share.

The costs incurred by Leonard De Melt and José Rodriguez, personally, in respect of the San Vicente and Las Huaquillas properties prior to the effective dates of the Mineral Purchase Agreement and Imperium Purchase Agreement are attributable to the staking of both claims, which can be approximated at $3.00 per hectare.

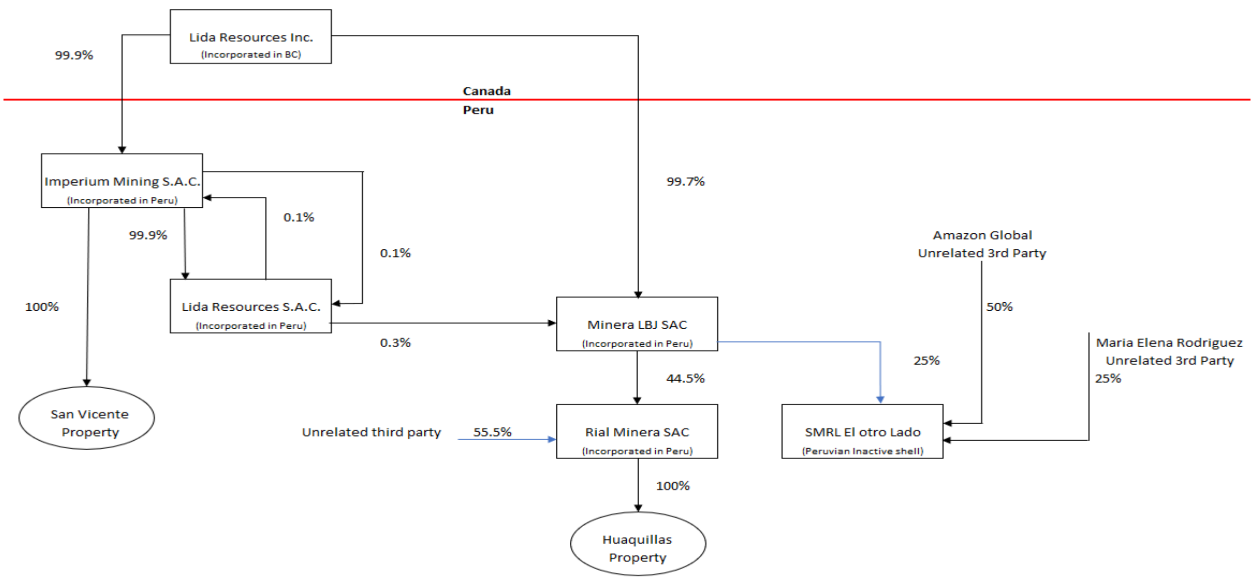
San Vicente Agreements

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 US$34,000 that is owing to Amazon Global has been added to the capital deficiency of the Corporation in the Financial Statements. See "*Use of Proceeds*".

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 6, 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 fair valued at acquisition at $0.065, the fair value of Fidelity shares at the time of closing for a total value of $1,625,000, and the warrants were fair valued at $0.062 valued using the Black-scholes option model for a value of $779,625 for total valuation of $2,404,625. 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 September 10, 2019. The Technical Report recommends that the Corporation conduct a two phase exploration program comprised of: (i) Stage One; and (ii) Stage Two. Stage 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 $75,000 to $100,000) and the second part consisting of detail surface and geological mapping, Geophysics, channel sampling and drilling (estimated cost of $175,000 to $200,000). The estimated budget for completing both parts of Stage One is $250,000 to $300,000, with an expected time frame of 4 months. As of the date hereof, no approximate budget has been calculated for Stage 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 Stage 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.

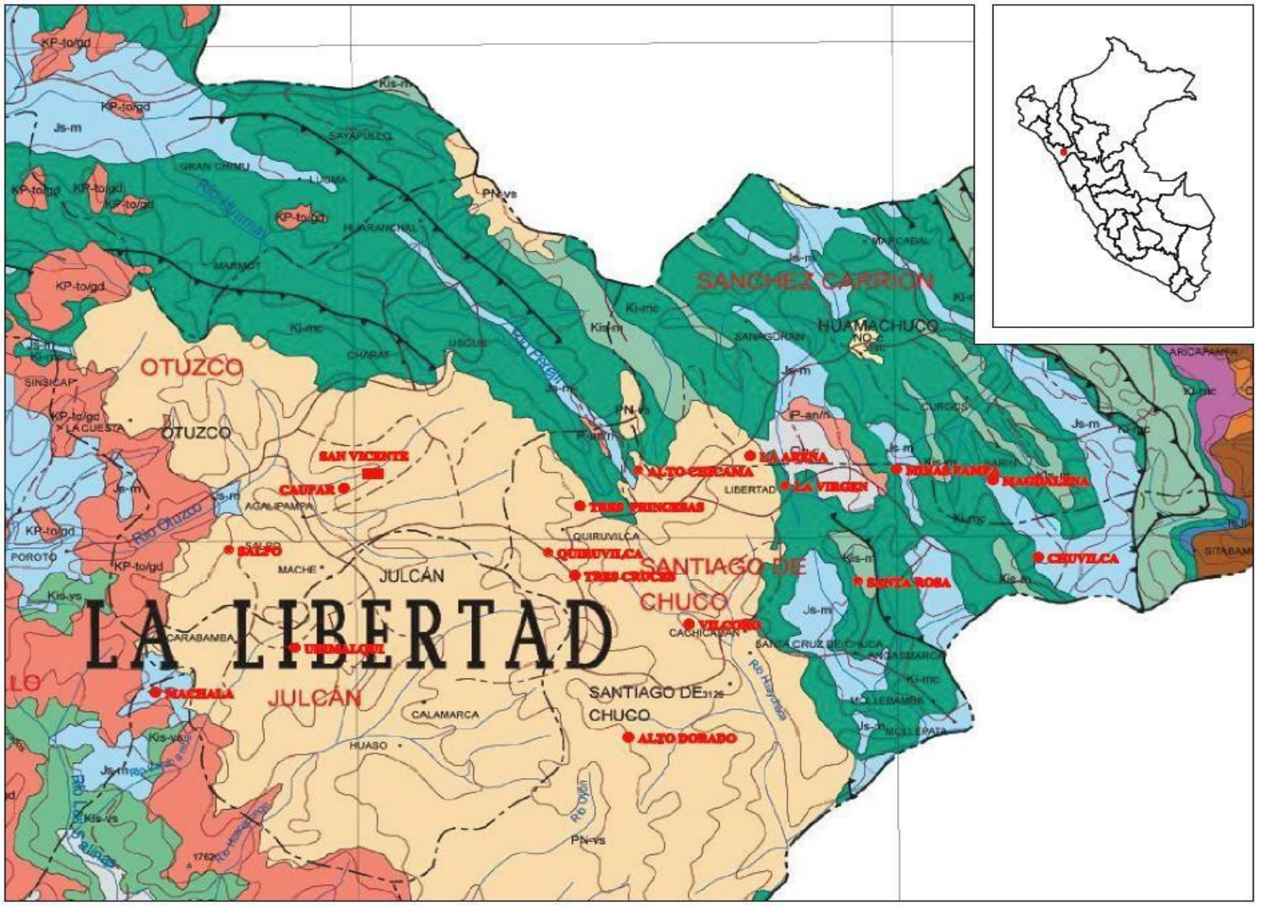


Figure 1: Property Location Map

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.

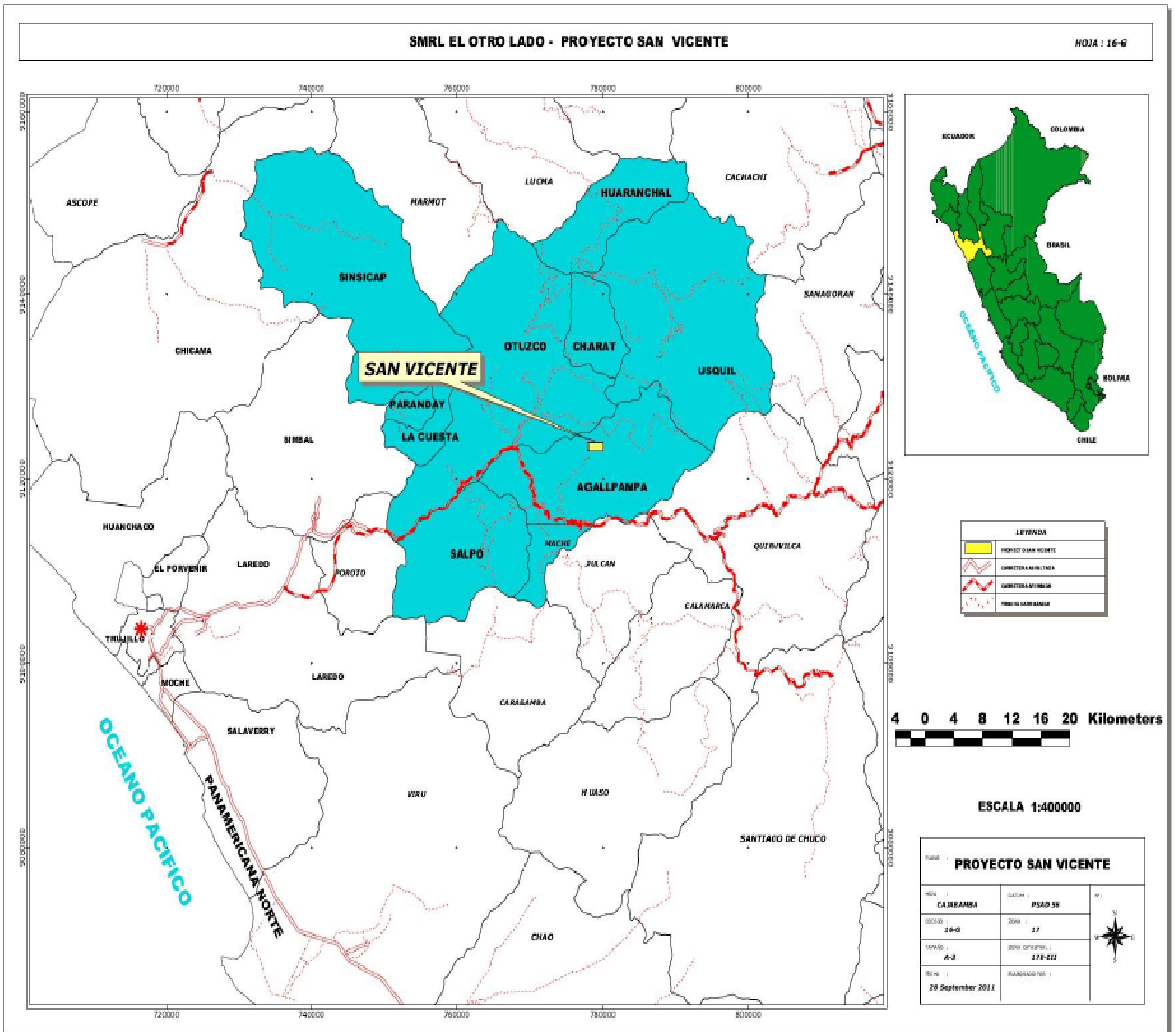


Figure 3: San Vicente Property Location Map (Exploration Claim 10577)

History

The Concession was previously registered to SMRL. On July 20, 2009, SMRL was bought by José 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 Stage One and Stage Two programs, a more accurate survey will be required as the current survey is only based on two survey base stations located by GPS.

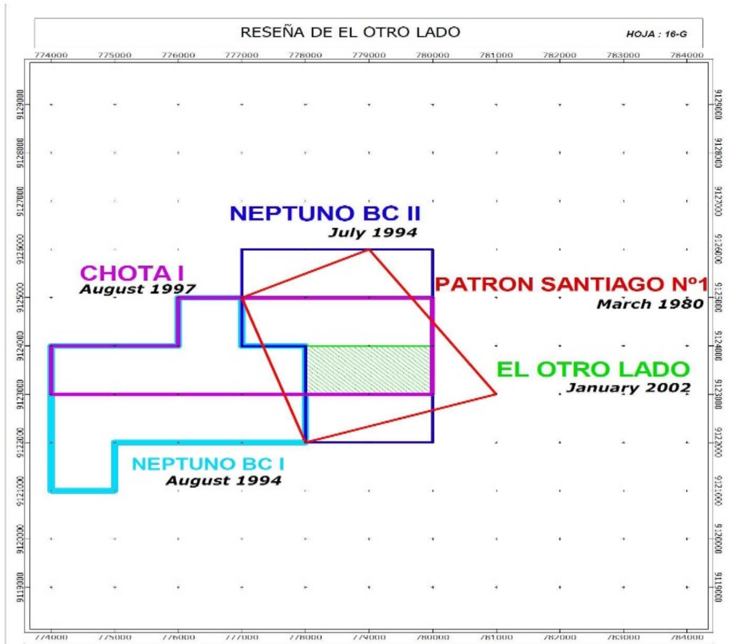


Figure 4: Historic concessions in the area of the Concession

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. Stage One and Stage 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.

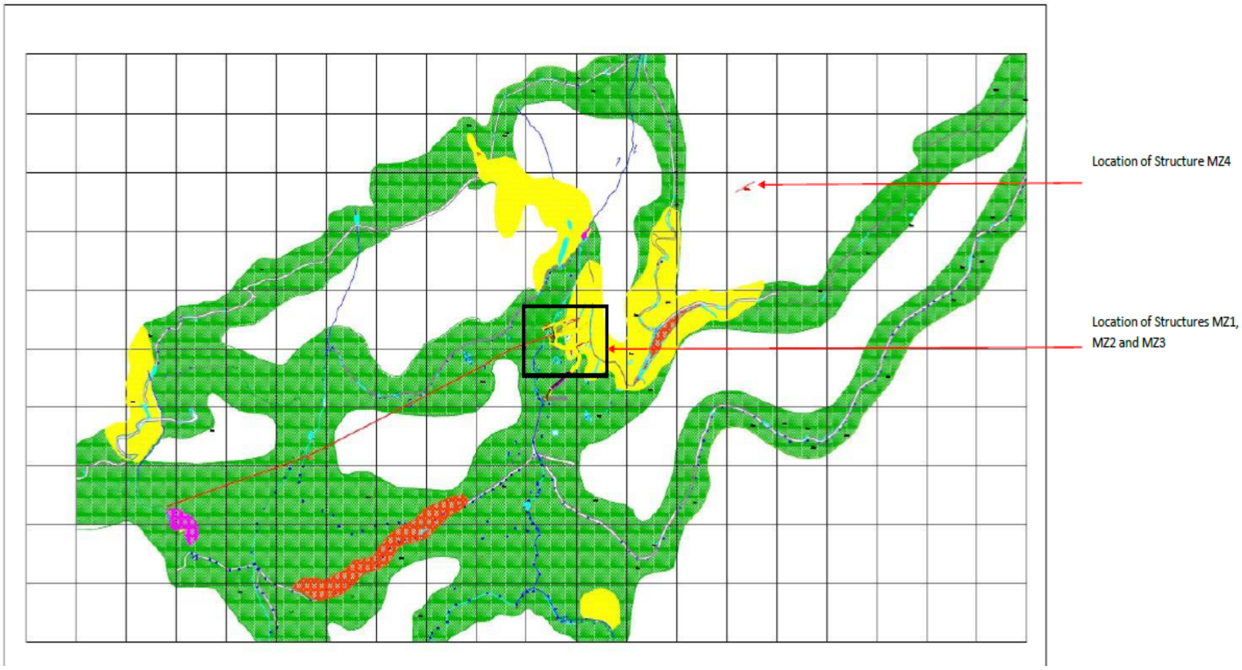


Figure 5: Regional Geological Map

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.

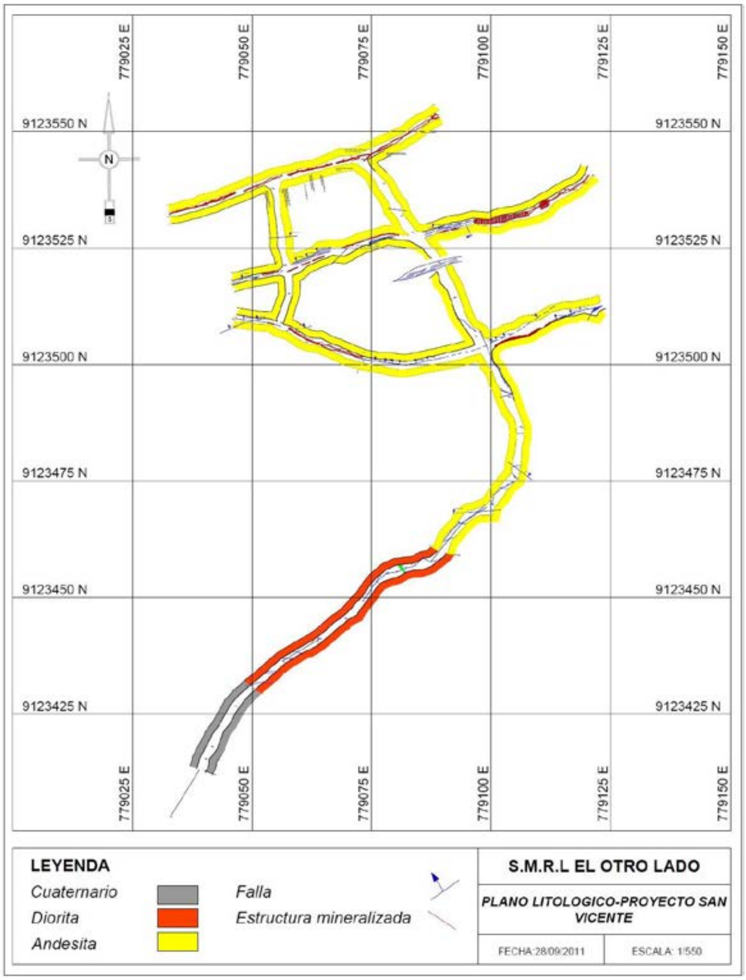


Figure 6: Underground Mapping of Mineralized Structures and Lithologies

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 Stage One and to acquire permits to carry on the more advanced work (Stage 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.

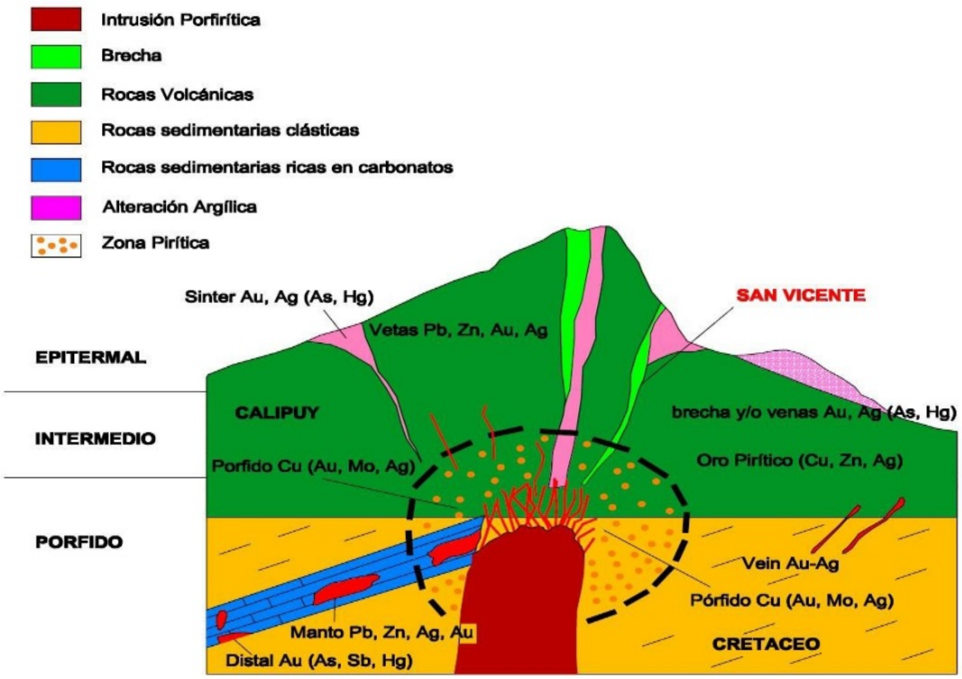


Figure 7: Schematic Representing the Relationship Between various hydrothermal deposit Types

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. Stage 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) Stage One; and (ii) Stage Two. The estimated budget for all of Stage One is \$250,000 to \$300,000, with an expected time frame of 4 months. As of the date hereof, no approximate budget has been calculated for Stage Two of the exploration program. The estimated budget for Stage One is as follows:

Stage 0 Initial evaluation, survey Property, map surface infrastructure and improve access road (of which $76,764 have been spent to August 31, 2019)	$75,000		$100,000
Stage 1			
Detail surface and geological mapping	$10,000	to	$20,000
Geophysics	$25,000	to	$30,000
Surface Channel Sampling	$5,000		$5,000
Drilling	$135,000	to	$145,000
Total Stage 1	**$250,000**	**to**	**$300,000**

USE OF PROCEEDS

The Corporation will receive net proceeds of $702,000 from the Minimum Offering and net proceeds of $810,000 from the Maximum Offering after deducting the Agent's Commission. Total offering expenses excluding agents' commissions are estimated to be $233,500. The Corporation intends to use the available funds as follows:

Item	Minimum Offering ($)	Maximum Offering ($)
Funds Available		
Initial Public Offering (gross proceeds)	780,000	900,000
Agent's Commission	(78,000)	(90,000)
Working capital deficiency at August 31, 2019 (excluding asset held for sale)(1)	(226,000)	(226,000)
Total Funds Available	**476,000**	**584,000**
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) (2)	74,000	74,000
Project manager, qualified person or chief geologist and Peru staff	49,000	64,000
Exploration on the Property(3)	175,000	225,000
Estimated general and administrative expenses for 12 months	136,000	136,000
Unallocated working capital	12,000	55,000
Net Proceeds from Initial Public Offering	**476,000**	**584,000**

Notes:

(1) Includes US$34,000 amount owing to Amazon Global.

(2) Total estimated costs of the Offering are $233,500, of which $74,000 remains outstanding as of the date of this Prospectus. The full costs of the Offering are comprised of $121,000 in legal costs, $50,000 in auditor fees, Agent's fees and expenses totalling $45,000 and transfer agent, applicable filing and listing fees of $17,500. Lida has already booked or paid portions of the aforementioned costs associated with the Offering, which include, $66,000 in legal fees booked as accounts payable and accrued liabilities, $35,000 in audit fees accrued, payment of all $25,000 of the Agent's fees and $20,000 for legal fees to the Agent's legal counsel and expenses and payment of $13,500 of the transfer agent, applicable filing and listing fees.

(3) See "*San Vicente Property – Recommended Work Program*". To date, $76,000 has been spent on the Property.

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	$15,000
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	$3,020
	136,000
Office Peru	$49,000
Total	**$185,000**

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 Stage One. The Corporation intends to complete Stage One as recommended under the Technical Report and, if warranted by the results from Stage One, to complete Stage 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 year-ended August 31, 2019 and period from incorporation (September 8, 2017) to August 31, 2018. This summary of financial information should only be read in conjunction with the Financial Statements, including the notes thereto, included with this Prospectus.

	Period from Incorporation (September 8, 2017) to August 31, 2018	**Year ended August 31, 2019**
Mineral properties(1)	$1,878,085	$828,079
Total assets	$2,009,643	$915,818
Total revenues	$Nil	$Nil
Long-term debt	$Nil	$Nil
Exploration and evaluation costs	$131,181	$150,476
Other non-exploration and non-evaluation costs(2)	$93,869	$268,434
Other income (expense)	$1,204	$1,343,546
Net income (loss)	$(223,846)	$924,636
Basic and diluted income (loss) per share(3)	$(0.01)	$0.03

Notes:

(1) Mineral properties as at August 31, 2019 include $828,079 for the San Vicente Property.

(2) As at August 31, 2019, Lida’s other non-exploration and evaluation costs for the year ended August 31, 2019 include consulting expenses of $40,260 (2018 - $37,885); professional fees of $188,342 (2018 - $44,930); general and administration expense of $18,222 (2018 - $4,968); Transfer agent, regulatory and listing fees of $16,040 (2018 - $nil); travel expenses of $3,765 (2018 - $5,298) and bank fees of $1,805 (2018 - $788).

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

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 International Financial Reporting Standards ("**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 under the CBCA 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, 2019 the Corporation has raised $574,045 from the issuance of 9,877,596 Common Shares. The Corporation also issued 25,000,000 Common Shares for the acquisition of certain of its mineral properties (see "*Description and General Development of the Business*" for details on how the said compensation was determined).

As of the date of the Prospectus, there is a total of 34,877,596 Common Shares issued and outstanding. See "*Description and General Development of the Business – Lida History – The Private Placements*".

As at August 31, 2019, the Corporation had total assets of $915,818 (2018 - $2,009,643), which are comprised of $1,511 (2018 - $46,088) in cash, $86,228 (2018 - $85,470) of Deferred financing costs, prepaid expenses and receivables and $828,079 (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 year ended August 31, 2019, the Corporation's net income was $924,636 (2018 – net loss of $223,846). Income for the period was due to a gain on sale of Minera LBJ of $1,349,242 (2018 - $nil) offset by total operating expenses totalling $418,910 (2018 - $225,050), of which 150,476 (2018 - $131,181) is attributed to exploration and evaluation incurred on the San Vicente property. During the year ended August 31, 2019, $40,260 (2018 - $37,885) was spent on consulting fees, $188,342 (2018 - $44,930) is attributable to professional fees, $18,222 (2018 - $4,968) was spent on general and administrative expenses, $3,765 (2018 - $5,298) was spent on travel, $16,040 (2018 - $Nil) was spent on Transfer agent, regulatory and listing fees, and $1,805 (2018 - $788) was spent on bank charges. Professional fees of the Corporation consist of legal, accounting and audit fees mostly related costs of taking the company public, 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 and consulting fees include fees incurred by the Corporation to look for opportunities related to new projects as well as obtaining financing.

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 Corporation's unaudited financial statements for the last eight quarters:

Quarter Ended	Total Revenues ($)	Net Income (Loss) ($)	Basic and Diluted Income (Loss) per Share ($)
August 31, 2019	-	(141,231)	(0.00)
May 31, 2019	-	(99,760)	(0.00)
February 28, 2019	-	1,260,040	0.03
November 30, 2018	-	(94,413)	(0.00)
August 31, 2018	-	(72,119)	(0.00)
May 31, 2018	-	(115,859)	(0.00)
February 28, 2018	-	(33,456)	(0.00)
November 30, 2017	-	(2,412)	(3.62)

Note:

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

During the quarter ended August 31, 2019, the Corporation had net income of $141,231 compared to net loss of $72,119 in the comparative period from the incorporation date to August 31, 2018. Net loss for the quarter ended August 31, 2019 was due to operating expenditures that include exploration expenditures expense of $35,125 incurred to keep the property in good standing, updates to its 43-101 and other exploration expenditures, professional fees of $85,550 and transfer agent and regulatory fees of $16,040 relate mostly to expenditures incurred to take the Corporation public and other operating expenses of $4,985. Expenditures for the comparative period were costs mostly costs incurred to acquire the Corporation's properties and subsidiaries.

Income of $1,260,040 for the quarter ended February 28, 2019 relates to the gain on sale of the of the Corporation's former subsidiary Minera LBJ of $1,349,242.

Exploration Expenditures

PERIOD ENDED AUGUST 31, 2019

San Vicente Property	**2018**	**2019**
Licenses, taxes, and Claim fees	$ 35,222	$ 6,791
Geology, lab and other fees	15,772	13,847
Camp operations	13,354	19,017
Professional fees	12,151	7,598
Transportation	10,438	13,379
Community relations	8,104	24,471
Management and consulting	6,625	20,553
Rent	2,943	4,251
Wages and salaries	-	35,889
Environmental expenditures	3,216	4,680
	$107,825	**$150,476**
Las Huaquillas Property (Sold)		
Licenses, taxes, and Claim fees	23,356	
	$ 131,181	**$ 150,476**

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 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 ("**CEO**") of Lida, who was the sole shareholder and director of the Corporation at the time of the transaction.

The Corporation 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 José 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 year ended August 31, 2019, the Corporation incurred $27,000 (2018 - $3,000) of consulting fees to the CEO.
As at August 31, 2019, the Corporation had a loan due to the CEO for $11,400 (2018 - $nil). The loan has no fixed terms of repayment and bears no interest.

During the year ended August 31, 2019, the Corporation incurred $24,000 (2018 - $nil) of consulting fees to Lida's Chief Financial Officer. As at August 31, 2019, the Corporation had amounts due to Lida's Chief Financial Officer of $nil (August 31, 2018, $nil)

Outlook

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

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, 2019. 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 TSX Trust Company at its principal offices in Calgary, Alberta, Toronto, Ontario and Vancouver, British Columbia 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 TSX Trust Company 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 TSX Trust Company, 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 August 31, 2019	Outstanding as at the date of this Prospectus	Outstanding after the Minimum Offering	Outstanding after the Maximum Offering
Common shares	34,877,596	34,877,596	42,677,596(1)	43,877,596(2)

Share capital	$2,303,384	$2,303,384	$3,083,384	$3,203,384
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 46,577,596 Common Shares outstanding.
(2) Presented on an undiluted basis. Assuming completion of the Maximum Offering, on a fully diluted basis, the Corporation will have 48,377,596 Common Shares outstanding.

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 British Columbia 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
November 1, 2018	Common Share	2,934,000	$0.03
November 1, 2018	Common Share	5,752,929	$0.07
January 22, 2019	Common Share	250,000	$0.07
March 22, 2019	Common Share	940,000	$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	42.88%/41.70%

José Rodriguez	5,000,000	12.23%/11.81%
Hugh Maddin	1,904,762(3)	2.79%/2.71%
Bob Bryce	667,000	1.56%/1.52%
Jim Clucas	667,000	1.56%/1.52%
TOTAL:	**21,536,984**	**61.02%/59.26%**

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:

	Prior to Offering		**After giving effect to the Minimum Offering**		**After giving effect to the Maximum Offering**	
Name	**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%
José 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(6) North Vancouver, British Columbia, Canada	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	667,000

Director		thereto, Mr. Clucas served as the President and Chief Executive Officer of Search Minerals Inc. from June 2009 and January 31, 2015.	
Hugh Maddin(6) 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.	1,904,762(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(6) 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 (British Columbia) 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.

(6) Proposed member of the Audit Committee.

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 21,536,984 (59.70%) of the Common Shares.

Directors' and Officers' Biographies

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

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 (full time; contractor)

Mr. Wenzel is a Chartered Professional Accountant (member of the 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	27,000	Nil	Nil (1)	Nil	Nil	Nil	Nil	27,000
Xavier Wenzel, Chief Financial Officer	24,000	Nil	Nil (2)	Nil	Nil	Nil	$Nil	24,000

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 with a firm for which Mr. Wenzel works to provide services as the Corporation's Chief Financial Officer and financial consulting services as well as accounting and bookkeeping services to the Corporation for $3,500 per month plus additional fees for out-of-scope services. Of the $3,500 monthly fee, $2,000 represent fees paid to Mr. Wenzel by the Corporation in relation to his role as Chief Financial Officer and financial consultant to the Corporation.

Effective August 31, 2019 Mr. De Melt has charged a monthly fee of $3,000 per month for his services as CEO. There is no contract in place with Mr. De Melt.

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 August 31, 2019, the Company has paid $15,000 and accrued $35,000 related to audit fees.

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 7,800,000 Units for gross proceeds of $780,000 and a maximum of 9,000,000 Units for gross proceeds of $900,000. 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 7,800,000 Units for gross proceeds of $780,000 must be sold under the Offering; and

- The Corporation has applied to the CSE to conditionally approve a listing of the Common Shares. 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 10% 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 the CSE to conditionally approve a listing of the Common Shares. Listing is subject to the Corporation fulfilling all of the 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.

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 Purchase Agreement and Imperium Purchase 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

For the Year Ended August 31, 2019 and the period from incorporation (September 8, 2017) to August 31, 2018

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INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF LIDA RESOURCES INC.

Opinion

We have audited the consolidated financial statements of Lida Resources Inc. (the "Company"), which comprise the consolidated statements of financial position as at August 31, 2019 and 2018, and the consolidated statements of operations and comprehensive loss, changes in equity and cash flows for the year ended August 31, 2019 and the period from incorporation on September 8, 2017 to August 31, 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at August 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the year ended August 31, 2019 and the period from incorporation on September 8, 2017 to August 31, 2018 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has a working capital deficiency of $225,811 and an accumulated deficit of $1,703,435 as at August 31, 2019. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises of Management's Discussion and Analysis.

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

We obtained Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed, we conclude that there is a material misstatement of this, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

The engagement partner on the audit resulting in this independent auditors' report is Michelle Chi Wai So.

Chartered Professional Accountants

Vancouver, British Columbia
October 20, 2019

LIDA RESOURCES INC.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As at August 31		2019		2018
ASSETS				
CURRENT ASSETS				
Cash	$	1,511	$	46,088
Accounts receivable		1,388		748
Prepaid expenses		7,630		7,512
Deferred Financing Cost		77,210		77,210
		87,739		131,558
Mineral interests (notes 5)		828,079		1,878,085
TOTAL ASSETS	$	915,818	$	2,009,643
LIABILITIES AND EQUITY				
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	$	302,550	$	121,197
Due to related party (note 8)		11,400		-
TOTAL LIABILITIES		313,950		121,197
EQUITY				
Share capital (note 6)		2,303,384		2,117,107
Accumulated other comprehensive income (loss)		2,150		(4,815)
Deficit		(1,703,666)		(223,846)
TOTAL EQUITY		601,868		1,888,446
TOTAL LIABILITIES AND EQUITY	$	915,818	$	2,009,643

Approved and authorized for issue by the Board of Directors on October 20, 2019

/s/ Director

/s/ Director

The accompanying notes are integral part of these consolidated financial statements

LIDA RESOURCES INC.
Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

	For the year ended August 31, 2019	For the period from September 8, 2017 (incorporation) to August 31, 2018
EXPENSES		
Bank charges	$ 1,805	$ 788
Consulting (note 8)	40,260	37,885
Exploration and evaluation costs (Note 5)	150,476	131,181
Transfer agent, regulatory and listing fees	16,040	-
General and administrative	18,222	4,968
Professional fees	188,342	44,930
Travel	3,765	5,298
Loss before other expenses	(418,910)	(225,050)
Other income (expense)		
Foreign exchange gain (loss)	(5,696)	1,204
Gain on sale of subsidiary (note 5)	1,349,242	-
Total other income	1,343,546	1,204
Net income or loss for the period	924,636	(223,846)
Other Comprehensive Income (Loss)		
Item that will be recycled to profit or loss:		
Foreign exchange gain (loss) on translation adjustment	6,965	(4,815)
Other Comprehensive income (loss) for the period	$ 931,601	$ (228,661)
Basic and diluted income or loss per share	$ 0.03	$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	33,844,400	18,789,823

The accompanying notes are integral part of these consolidated financial statements

LIDA RESOURCES INC.

Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)

For the Year Ended August 31, 2019 and the Period From Incorporation (September 8, 2017) to August 31, 2018

	Share capital				
	Number of shares	Amount	Accumulated other comprehensive income (loss)	Deficit	Total
Balance, September 8, 2017 (date of incorporation)	667	$ 20	$ -	$ -	$ 20
Issuance of shares on private placement, 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	-	-	-	(223,846)	(223,846)
Balance, August 31, 2018	31,561,334	2,117,107	(4,815)	(223,846)	1,888,446
Issuance of shares on private placement, net of share issue cost	3,316,262	186,277	-	-	186,277
Distribution of Fidelity Minerals Corp. shares and warrants	-	-	-	(2,404,625)	(2,404,625)
Currency translation adjustment	-	-	7,134	-	7,134
Unrealized foreign exchange gain on disposal of subsidiary	-	-	(169)	169	-
Net income for the year	-	-	-	924,636	924,636
Balance, August 31, 2019	34,877,596	$ 2,303,384	$ 2,150	$ (1,703,666)	$ 601,868

The accompanying notes are integral part of these consolidated financial statements

LIDA RESOURCES INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	For the year ended August 31, 2019	For the period from September 8, 2017 (incorporation) to August 31, 2018
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net income (loss) from continuing operations	$ 924,636	$ (223,846)
Gain on sale of subsidiary	(1,349,242)	-
Unrealized foreign exchange	1,407	-
Changes in non-cash working capital items:		
Accounts receivable	(640)	(748)
Prepaid expenses	(118)	(7,512)
Deferred financing cost	-	(77,210)
Accounts payable and accrued liabilities	173,175	60,526
Net cash used in operating activities	(250,782)	(248,790)
FINANCING ACTIVITIES		
Shares issued on incorporation	-	20
Shares issued on private placement	194,805	379,220
Due from related party	11,400	
Net cash provided by financing activities	206,205	379,240
INVESTING ACTIVITY		
Acquisition of mineral interests	-	(84,362)
Net cash used in investing activity	-	(84,362)
Increase (decrease) in cash	(44,577)	46,088
Cash, beginning of period	46,088	-
Cash, end of period	$ 1,511	$ 46,088

Supplemental cash-flow information		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -
Non-cash transactions		
Shares issued for acquisition of Imperium Mining SAC (note 4)	$ -	$ 700,000
Shares issued for acquisition of Minera LBJ SAC (note 4)	$ -	$ 1,050,000
Share issue costs included in accounts payable	$ 8,528	$ 12,133
Mineral interest costs included in accounts payable	$ 45,130	$ 43,723
Disposition of net assets of Minera LBJ SAC for Fidelity Minerals shares (note 5)	$ (1,055,383)	$ -
Distribution of investment in Fidelity Minerals shares to Lida shareholders (note 5)	$ 2,404,625	$ -

The accompanying notes are 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 Company's head and 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, 2019, the Company has a working capital deficiency of $226,211 has not generated any revenues from operations and has an accumulated deficit of $1,703,666. 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 (Note 12). 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. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. 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 and Lida Resources 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 at August 31, 2019 and 2018
Imperium Mining SAC	Lima, Peru	100%
Lida Resources SAC	Lima, Peru	100%

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

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 judgment include the following:

(i) 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.

(ii) 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 will flow to the Company.

Assets or cash-generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation assets.

In respect of costs incurred for its investment in exploration and evaluation assets, management has determined the acquisition costs that have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit, including geologic and metallurgic information, economics assessment/ studies, accessible facilities and existing permits.

(iii) 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.

(iv) Acquisitions

Management has had to apply judgment relating to acquisitions with respect to whether the acquisition was a business combination or an asset acquisition. Management applied a three-element process to determine whether a business or an asset was purchased, considering inputs, processes and outputs of each acquisition in order to reach a conclusion.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Use of Estimates and Judgments (continued)

The key estimates applied in the preparation of the consolidated financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

(i) 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.

(ii) Share Based Consideration Received

In estimating the fair value of share-based consideration received, using the Black-Scholes option pricing model, management is required to make certain assumptions and estimates. Changes in assumptions used to estimate fair value could result in materially different results.

(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 have a Peruvian Sol functional currency. Transactions in currencies other than the entity's functional currency are recorded at exchange rates prevailing on the dates of the transactions. All gain and losses on translation are included in profit or loss.
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 statements 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.

(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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Mineral Interests (continued)

(ii) Exploration and evaluation assets and expenditures (continued)

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-Financial Assets

At each reporting date, the Company reviews the carrying amounts of its non-financial 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 profit or loss.

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 profit or 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. 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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Reclamation and Remediation Provisions (continued)

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. 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) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net income (loss) available to common shareholders by the weighted average number of shares outstanding in the period. For all periods presented, the loss available to common shareholders equals the reported loss. Diluted earnings (loss) per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted earnings (loss) per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

(i) Share Capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share options, and warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new share options and are shown in equity as a deduction, net of tax, from the proceeds. Where the Company issued common shares and warrants together as units, value is allocated first to share capital based on the market value of common shares on the date of issue, with any residual value from the proceeds being allocated to the warrants.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Share-based Compensation

The Company has a stock option plan, described in Note 6, which grants stock options to the Company's directors, officers, employees, consultants and other personnel. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee.

The fair value of the options is measured using the Black-Scholes option pricing model and is recognized over the vesting period. For directors and employees, the fair value of the options is measured at the date of grant. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The offset to the recorded cost is to share-based compensation reserve. Consideration received on the exercise of stock options is recorded as share capital and the recorded amount to share-based compensation reserve is transferred to share capital. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is charged to profit or loss. For unexercised options that expire, the recorded value in share-based compensation reserve is transferred to deficit.

(k) 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.

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.

3. RECENT ACCOUNTING PRONOUNCEMENTS

New Standards 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.

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 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 loss 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.

3. RECENT ACCOUNTING PRONOUNCEMENTS (continued)

i. Financial instruments (continued)

(ii) Measurement (continued)

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.

(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.

Financial Liabilities

The Company derecognizes a financial liability when the financial liability is discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of comprehensive loss.

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 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 is effective for annual periods beginning on or after January 1, 2019. The adoption of this standard will not have a significant impact on the Company's financial statements

(Expressed in Canadian dollars)

4. 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 for a total of $700,000. 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 5, 2018 for total consideration of US $100,000. As at August 31, 2019, US $34,000 (2018 – US $34,000) is included in accounts payable and accrued liabilities. The Company has determined that this transaction is an asset acquisition as the assets acquired and liabilities assumed did not constitute a business. The transaction was accounted for using the acquisition method of accounting whereby the assets acquired, and liabilities assumed were recorded at their estimated fair values at the acquisition date.

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
Fair Value of asset acquired		
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 LBJ"), 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 of the Company at an estimated fair value of $0.07 per share for a total of $1,050,000. The Company has determined that this transaction is an asset acquisition as the assets acquired and liabilities assumed did not constitute a business. The transaction was accounted for using the acquisition method of accounting whereby the assets acquired, and liabilities assumed were recorded at their estimated fair values at the acquisition date.

(Expressed in Canadian dollars)

4. ACQUISITION OF IMPERIUM MINING SAC AND MINERA LBJ SAC (continued)

Minera LBJ SAC (continued)

The acquisition of Minera LBJ 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 LBJ	$	1,050,000
Cash consideration		710
Total	$	1,050,710
Fair Value of asset acquired		
Mineral properties – Las Huaquillas property	$	1,050,710

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 by issuing 10,000,000 common shares at a value of $0.07 per share	$	700,000	$	-	$	700,000
Minera LBJ by issuing 15,000,000 common shares at a value of $0.07 per share		-		1,050,000		1,050,000
Cash Payments		127,375		710		128,085
Balance, August 31, 2018	$	827,375	$	1,050,710	$	1,878,085
Foreign currency adjustment		704		-		704
Disposition of Minera LBJ		-		(1,050,710)		(1,050,710)
Balance, August 31, 2019	$	828,079	$	-	$	828,079

(Expressed in Canadian dollars)

5. MINERAL INTERESTS (continued)

Exploration and evaluation costs for the periods ended August 31:

		2019		2018
Licenses, taxes, and claim fees	$	6,791	$	58,578
Geology, lab and other fees		13,847		15,772
Camp operations		19,017		13,354
Professional fees		7,598		12,151
Transportation		13,379		10,438
Community relations		24,471		8,104
Management and consulting		20,553		6,625
Rent		4,251		2,943
Wages and salaries		35,889		-
Environmental expenditures		4,680		3,216
	$	150,476	$	131,181

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, of which US$ 34,000 remain outstanding as at August 31, 2019 (August 31, 2018 – US$ 34,000). The funds were advanced by Lida prior to the Company acquiring Imperium.

Las Huaquillas, Peru

On August 8, 2018, Minera LBJ acquired 44.5% of Rial, a Peruvian company. Rial owns a 100% interest in the Las Huaquillas mineral property located north of Lima, ten kilometers south of the Ecuadorian border.

On December 6, 2018, the Company entered into an agreement with Fidelity Minerals Corp. (formerly Montan Mining Corp.) ("Fidelity") to sell the Las Huaquillas property through the sale of its subsidiary, Minera LBJ. The transaction was deemed to have closed on January 29, 2019. As consideration, the Company received 25,000,000 common shares (Fidelity Shares) and 12,500,000 share purchase warrants ("Fidelity Warrants") of Fidelity. The Fidelity Shares were fair valued on acquisition at $0.065 per share, the fair value of a Fidelity Share on the closing date. The Fidelity Warrants were valued at $0.062 per warrant. The fair value of the Fidelity Warrants was estimated using Black-Scholes options pricing model with the following weighted average assumptions: Estimated volatility 185.38%, Risk-free rate 1.89%, Dividend yield 0%, and Expected life 5 years.

Proceeds of disposition		
Value of Fidelity Shares	$	1,625,000
Value of Fidelity Warrants		779,625
Total proceeds		2,404,625
Net assets disposed		
Las Huaquillas mineral property		(1,050,710)
Other working capital items disposed		(4,673)
		(1,055,383)
Gain on disposition of Minera LBJ	**$**	**1,349,242**

6. SHARE CAPTIAL

Authorized: Unlimited number of common shares without par value

Issued:

During the year ended August 31, 2019 the Company:

(a) Issued 2,382,929 shares for total proceeds of $166,805 at a price of $0.07 per share to investors and incurred $8,528 in share issue costs.

(b) Issued 933,333 shares for total proceeds of $28,000 at a price of $0.03 per share to directors.

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

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

(b) 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.

(c) 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 a fair value of $0.07 per share.

(d) 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.

(e) 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.

During the year ended August 31, 2019 the Company distributed the Fidelity Shares and Fidelity Warrants received on the sale of Minera LBJ to the shareholders of the Company by way of return of capital. In accordance with the terms of the arrangement, the Company transferred 100% of it's investment in the Fidelity Shares and Fidelity Warrants to its shareholders on a proportional basis. The value of the distribution was the same as the value of assigned to the Fidelity Shares and Fidelity Warrants received as the distribution was immediately following the acquisition of the securities.

On February 1, 2019, the Company adopted a stock option plan (the "Plan") to provide an incentive to directors, officers, employees, consultants and other personnel of the Company. The aggregate outstanding options are limited to 10% of the outstanding common shares. The exercise price of an Option granted under this Plan shall be as determined by the Board of Directors when such Option is granted and shall not be lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the Options; and (b) the date of grant of the option. All options are subject to vesting limitations which may be imposed by the Board of Directors at the time such Option is granted. As of August 31, 2019 and 2018, the Company has not granted any options.

7. FINANCIAL INSTRUMENTS AND RISKS

(a) Fair value Hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair values of other financial instruments, which include cash, accounts payable, due to related parties, 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 carrying value of the financial assets represents the maximum credit exposure.

(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, 2019, the cash balance of $1,511 (2018 – $46,088) will not be sufficient to meet its obligations related to its accounts payable and accrued liabilities of $302,550 (2018 - $121,197) and amounts due to related parties of $11,400 (2018 - $Nil) 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. The Company is not exposed to significant interest rate risk.

7. FINANCIAL INSTRUMENTS AND RISKS (continued)

(d) Market risk (continued)

b. Foreign currency risk

The Company is exposed to foreign currency risk, as certain monetary financial instruments are denominated in US$. At August 31, 2019 the carrying amounts of the Company's foreign currency denominated monetary assets are as follows:

	August 31, 2019 US dollars	August 31, 2018 US dollars
Cash	188	1,684
Accounts Payable	(33,760)	(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 US$ by 5% would increase or decrease net loss by approximately $1,700.

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 year ended August 31, 2019, the Company incurred $27,000 (2018 - $3,000) of consulting fees to the Chief Executive Officer ("CEO"). As at August 31, 2019, the Company had a loan payable to the CEO for $11,400 (2018 - $Nil). The loan has no fixed terms of repayment and bears no interest.

During the Year ended August 31, 2019, the Company incurred $24,000 (2018 - $Nil) of consulting fees to the Chief Financial Officer ("CFO"). As at August 31, 2019, the Company had amounts due to the CFO for $Nil (August 31, 2018 - $Nil).

During the period ended August 31, 2018, the Company entered into two purchase agreements with the 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 LBJ 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.

(Expressed in Canadian dollars)

9. SEGMENTED INFORMATION

During the year ended August 31, 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 at August 31, 2019 and 2018 are in Peru.

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. 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 and for the year ended August 31, 2019 are as follows:

		2019		**2018**
Net Income (loss) before income taxes		924,636		(223,846)
Canadian statutory income tax rate		27.00%		26.85%
Income tax recovery at statutory rate	$	249,652	$	(60,097)
Tax effect of:				
Differences between Canadian and foreign tax rates		(3,998)		(3,264)
Non-deducible/taxable items		(288,137)		-
Other		(3,044)		631
Effect of change in enacted tax rates		-		(623)
Impact of foreign exchange on tax assets and liabilities		(170)		(631)
Unrecognized deferred income tax assets		45,697		63,984
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)

11. 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**:**

		2019		2018
Unrecognized deductible temporary differences and unused tax losses:				
Non-capital losses carried forward	$	342,530	$	222,946
Share issue cost		14,100		9,707
Mineral properties		14,102		-
Unrecognized deductible temporary differences	$	370,732	$	232,653

(c) Tax loss carry forwards

As at August 31, 2019, the Company has non-capital losses carried forward of $370,732 which are available to offset future periods' taxable income. These losses expire as follows:

		Canada		Peru		Total
2038	$	89,878	$	-	$	89,878
2039		72,489				72,489
Indefinite		-		379,580		379,580
	$	162,367	$	379,580	$	541,947

12. SUBSEQUENT EVENT

a) 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 7,800,000 Units for gross proceeds of $780,000, and the maximum size of the Offering is intended to be 9,000,000 Units for gross proceeds of $900,000. 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 December 31, 2019.

LIDA RESOURCES INC.

MANAGEMENT DISCUSSION & ANALYSIS

FORM 51-102F1

For the year ended August 31, 2019

October XX, 2019

The following discussion is management's assessment and analysis of the results and financial condition of Lida Resources Inc. (the "**Company**") and should be read in conjunction with the Company's audited consolidated financial statements for the year ended August 31, 2019 and the related notes thereto. The preparation of financial data is in accordance with International Financial Reporting Standards ("IFRS**")** and all figures are reported in Canadian dollars unless otherwise indicated.

DESCRIPTION OF BUSINESS

The Company is an exploration stage company. The Company is in the process of exploring its mineral properties in Peru and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from disposition of the properties.

The Company will need additional funding in the near future through either equity or debt financing to acquire new projects and further develop its existing assets. Many factors influence the Company's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the funding of new projects. Management is approaching all identifiable sources of equity capital, but there is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable.

HIGHLIGHTS

During the period from incorporation on September 8, 2017, date of incorporation, to August 31, 2018, The Company issued 6,651,334 shares for net proceeds of $367,107.

During the year ended August 31, 2019, the Company issued 3,316,262 shares for net proceeds of $186,277.

During the period from September 8, 2017 to August 31, 2018, the Company acquired 99.9% 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 (Can $394) and the issuance of 10,000,000 common shares of the Company at a price of $0.07 per share. During this period, Imperium completed the acquisition of the San Vicente property for total payment of US $100,000.

During the period from incorporation on September 8, 2017 to August 31, 2018, the Company acquired 99.7% of the issued and outstanding shares of Minera LBJ SAC, ("LBJ"), an inactive Peruvian company. The Company acquired LBJ for the purpose of acquiring 44.5% of the issued and outstanding shares of Rial

Minera SAC (“Rial”), an inactive Peruvian company which owns a 100% interest in the Las Huaquillas mineral properties. Total consideration for the acquisition was a cash payment of 1,799 soles (Can $710) and the issuance of 15,000,000 common shares at a price of $0.07 per share. During the year ended August 31, 2019, the Company disposed of LBJ

During the year ended August 31, 2019 the Company entered into an agreement with Fidelity Minerals Corp. (formerly Montan Mining Corp) (“Fidelity”) to sell the Huaquillas property through the sale of the its subsidiary Minera LBJ (the “Arrangement”). As consideration, the Company received 25,000,000 shares and 12,500,000 share purchase warrants of Fidelity. The shares were valued on acquisition at $0.065, the market value of Fidelity shares at the time of closing for a total value of $1,625,000, and the warrants were valued at $0.062 estimated using the Black-Scholes Option Pricing model for a value of $779,625 for total consideration of $2,404,625. Each warrant is exercisable into one common share of Fidelity at $0.08 per share for a period of five years.

The Company completed a distribution of the Fidelity shares and warrants received from the sale of LBJ 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.

Subsequent to August 31, 2019:

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 7,800,000 Units for gross proceeds of $780,000, and the maximum size of the Offering is intended to be 9,000,000 Units for gross proceeds of $900,000. 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 [·], 2019, or such other date as the Company and the Agent may agree but in any event no later than December 31, 2019.

OVERALL PERFORMANCE

There was minimal exploration activity during the period from incorporation on September 8, 2017 to August 31, 2018 and during the year ended August 31, 2019. As at August 31, 2019, the Company had a working capital deficiency of $226,811 (2018 – working capital of $10,361). The Company has not generated any revenues from operations, and has an accumulated deficit of $1,703,666 (2018 - $223,846).

PROJECT SUMMARY

The San Vicente Property

The Corporation, through Imperium, is the holder of the San Vicente Property. The property is located approximately 120 kilometers 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 kilometers 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.

The Property consists of one claim, which makes up the Concession. The claim is for metallic minerals giving 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. The Property contains metallic minerals giving the title holder the right to explore and exploit metallic minerals within the bounds of the claim; subject to the payment of the annual fees established by Peruvian Mining Law.

			Location		
Concession	**Area (Hectare)**	**District**	**Povince**	**Department**	**Record**
El Otro Lado	200.00	Agallpampa	Otuzco	La Libertad	10014602

The Company 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 meters 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.

Royalties

Peru established a sliding scale mining royalty in 2004. Calculation of the royalty payable per month is made 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 $60 million annual value; 1.0%.
2. Second stage: in excess of $60 million up to $120 million annual value; 2.0%.
3. Third stage: in excess of $120 million annual value; 3.0%.

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

Environmental Affairs

Lida has applied for a license to operate as a small mining company in 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, pending one final study to be carried out 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

The Company entered into a notarized contract with the surface owner for the use of the land therefore the Company does not have an issue relating to the use of land. In addition, property is located in an area where there are no communities as such there would be no issues or possible contingencies related to the use of land.

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 o fa 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 kilometers 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 to 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.

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 mineralised belt extending from the Cordillera Negra. Mineralisation 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 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.

Mineralization

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

Of all the mineralised structures identified at the San Vicente Property to date only nine are described in detail within the Technical Report, these are the mineralised structures that have been cut with exploration drives in the mine. The nine structures are called:

1. Mineralised Zone 1;
2. Mineralised Zone 2; and
3. Mineralised Zone 3.

The nine mineralised structures are hosted within plagioclase porphyritic subvolcanic andesite member of the Tertiary Lower Calipuy Group volcanic rocks. A fourth mineralised structure MZ4 encountered in January 2011 is also described in this section as it appears gold bearing unlike the other base metal veins.

Mineralised Zone 1 (MZ1)

When Carbajal & Whitty S.A.C. visited the mine it was found that the tunnel mined along the strike of the structure was full of broken mineral from the MZ2 and MZ3 structures. This meant that this structure could not be evaluated by Carbajal & Whitty S.A.C. and that the majority of information used to describe the MZ1 structure is that as described from the sampling and mapping undertaken by Luc Pigeon of Gateway Resource in June 2009. The MZ1 structure is only observed in the exploration drift within the mine, it is not observed on surface. In the mine the gallery 100 was driven Northeast and Southwest from the main access. In total the gallery 100 has been driven 80 metres along the MZ1 structure.

The only areas of the MZ1 structure that was accessible to Carbajal & Whitty S.A.C. were along the western extents of the strike of the structure. In this area it was found that the width of the mineralised structure was between 30 to 70cm and contained gouge and sulphides (galena, sphalerite and pyrite). No channel samples were taken by El Otro in this area as the roof was too high to sample safely. From the Gateway Resources technical report, the MZ1 structure was described where it cut the main access as having a width of 15 to 20 centimetres massive black sphalerite surrounded by a 0.80 to 1.10 metres wide mineralized in-situ clast supported breccia zone characterized by sub angular to angular andesite clasts.

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

Mineralised Zone 2 (MZ2)

The MZ2 structure is observed in exploration drifts and on surface. On surface the MZ2 structure 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 with the secondary iron carbonates and oxides.

In the mine the 120 gallery was driven along the MZ2 structure to the NE and SW from the main access for a distance of 78m. Above the 120 gallery a sublevel was driven along the MZ2 structure for a distance of 41 metres. The mineralisation within the MZ2 structure can be described as having a width of 15 to 20 centimetres massive black sphalerite surrounded by a 0.80 to 1.20 metres wide mineralised (galena, sphalerite, pyrite) in-situ clast supported breccia zone characterized by sub angular to angular andesite clasts. On the main level twelve 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 drive along the 120 gallery could be sampled as parts of the drive were mined into the roof.

Mineralised Zone 3 (MZ3)

The MZ3 structure 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 sub levels above. In the mine, the 130 gallery was driven along the MZ3 structure to the Northeast and Southwest from the main access for a distance of 60 metres. Above the 130 gallery the first sublevel was driven along the MZ3 structure for a total of 55 metres and the second sublevel has been 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, 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 the MZ3 structure had a mineralised in-situ clast supported breccia zone and it contained much less gouge.

Mineralised Zone 4 (MZ4)

The owner of the land on which this structure is located would not allow access to Carbajal & Whitty S.A.C. during their visit, but they have indicated that the structure was gold bearing. Photos taken and contained in the Technical Report show that this structure has being worked on surface. 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 programs, (Stages 0, and 1) and to acquire permits to carry on the more advanced work (Stage 2) 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 silver, lead, zinc and gold deposit type.

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 meters from the polymetallic mineralization may explain this pyrite dissemination and also opens the potential of other type of mineralization such as porphyry type mineralization at depth. 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 potential and pinpoint the exact deposit type.

SELECTED ANNUAL INFORMATION

The following financial data has been derived from the Company's audited consolidated financial statements for the period from inception to August 31, 2018 and for the year ended August 31, 2019.

		2019		2018
Financial Results				
Net income (loss) loss for the period	$	924,636	$	(223,846)
Basic and diluted loss per share		0.03		(0.01)
Financial Position				
Total Assets		915,818		2,009,643
Total Liabilities		313,950		121,197
Working capital (deficiency)	$	(226,211)	$	10,361

RESULTS OF OPERATIONS AND SELECTED QUARTERLY FINANCIAL DATA

The income for the year ended August 31, 2019 was $924,636 (2018 – net loss of $223,846) a change of $1,148,482. The change resulted mainly due to the gain on sale of its subsidiary, LBJ.

During the year ended August 31, 2019 loss before other expenses was $418,910 (2018 - $225,050) an increase of $193,860. Changes in operations are attributed to the following:

Exploration and evaluation costs were $150,476 (2018 - $131,181), an increase of $19,295, the increase was mainly due to additional work done in the property including updating its 43-101 report on the San Vicente property.

Professional fees were $188,342 (2018 - $44,930) an increase of $143,412 related mainly legal audit and accounting fees incurred in the process on take the company public.

Consulting fees were $40,260 (2018 - $37,885) an increase of $2,375 as the Company incurred significant fees in 2018 related primarily to its public offering, amounts that continued in 2019 but for a slightly higher amount.

Transfer agent, regulatory and listing fees of $16,040 (2018 - $nil) were incurred during the current year as the Company filed its preliminary prospectus.

Genral and administrative expenses of $18,222 (2018 – $4,986) a increase of $13,256, this amount increased as it has now had a full year of operations.

During the year ended Augst 31, 2019 the Company completed the sale of its subsidiary, LBJ which resulted in a net gain of $1,349,242 (2018 - $nil).

The Company expects short term operational spending to be focused around general administration, listing costs, regulatory costs, and property acquisition.

The loss for the period from incorporation on September 8, 2017 to August 31, 2018, was $223,846. Total operating expenses equaled $225,050. Exploration and evaluation costs for the period was $131,181 of which $107,825 was attributed to exploration and evaluation costs incurred on the San Vicente property and $23,356 on the Las Huaquillas property, $62,885 was incurred for consulting fees, Professional fees were $44,930 and $11,054 was incurred for other operation expenses. Professional fees consists of legal, accounting and audit fees incurred mostly to take the Company public. Exploration and evaluation costs include licenses, taxes and claim fees to keep its properties in good standing as well as geology fees and other expenses incurred on the properties.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes selected financial information for the last eight quarters:

Quarter Ended	Total Revenues	Net Income (Loss)	Basic and Diluted Income (Loss) per Share
August 31, 2019	-	(141,231)	(0.00)
May 31, 2019	-	(99,760)	(0.00)
February 28, 2019	-	1,260,040	0.03
November 30, 2018	-	(94,413)	(0.00)
August 31, 2018	-	(72,119)	(0.00)
May 31, 2018	-	(115,859)	(0.00)
February 28, 2018	-	(33,456)	(0.00)
November 30, 2017	-	(2,412)	(3.62)

Below is a summary of significant variations in expenses from quarter to quarter:

During the quarter ended August 31, 2019 the Company had net loss of $141,231 compared to net loss of $72,119 during the quarter ended August 31, 2018. Net loss for the quarter ended August 31, 2019 was due to operating expenditures that include exploration and evaluation costs of $35,125 incurred to keep the property in good standing, update its 43-101 and other exploration expenditures, professional fees of $85,550 and transfer agent and regulatory fees of $16,040 relate mostly to expenditures incurred to take the company public and other operating expenses of $4,985. Expendituires for the comparative period were costs mostly costs incurred to acquire the Company's properties and subsidiaries.

Income of $1,260,040 for the quarter ended February 28, 2019 relates to the gain on sale of the company's former subsidiary, LBJ of $1,349,242.

LIQUIDITY AND CAPITAL RESOURCES

The Company does not have sufficient working capital to continue operations in the normal course for the foreseeable future and will require additional financing to remain financially solvent.

At August 31, 2019, the Company had cash of $1,511 and working capital deficiency of $226,211. Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast doubt on the Company's ability to continue as a going concern.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company's management has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future.

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 Mining SAC and Minera LBJ SAC 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.

Key management compensation

Key management consists of the Officers and Directors who are responsible for planning, directing and controlling the activities of the Company. The following expenses were incurred to the Company's key management:

During the year ended August 31, 2019, the Company incurred $27,000 (2018 - $3,000) of consulting fees to the CEO, as at August 31, 2019, the Company had a loan due to the CEO for $11,400 (August 31, 2018 - $nil). The loan has no fixed terms of repayment and bears no interest.

During the Year ended August 31, 2019, the Company incurred $24,000 (2018 - $nil) of consulting fees to the CFO. As at August 31, 2019, the Company had amounts due to the CFO of $nil (August 31, 2018 - $nil)

SUBSEQUENT EVENTS

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 7,800,000 Units for gross proceeds of $780,000, and the maximum size of the Offering is intended to be 9,000,000 Units for gross proceeds of $900,000. 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 December 31, 2019.

OUTSTANDING SHARE DATA

As at October XX, 2019 the Company had 34,877,596 (August 31, 2019 – 34,877,596; August 31, 2018 – 31,561,334) common voting shares issued and outstanding. As at October XX, 2019, the Company has no stock options or share purchase warrants outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

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:

Valuation of mineral interests

The application of the Company’s accounting policy for exploration and evaluation expenditures 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 profit or loss in the period when the information becomes available.

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.

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.

Acquisitions

Management has had to apply judgment relating to acquisitions with respect to whether the acquisition was a business combination or an asset acquisition. Management applied a three-element process to determine whether a business or an asset was purchased, considering inputs, processes and outputs of each acquisition in order to reach a conclusion. Management uses Black-Scholes Option Pricing Model for valuation of warrants received as compensation of the sale of Minera LBJ, which requires the input of subjective assumptions including expected price volatility, riskfree interest rates and forfeiture rates. Changes in the input assumptions can materially affect the fair value estimate and the Company's results of operations and equity reserves

PROPOSED TRANSACTIONS

There are no proposed transactions.

FINANCIAL INSTRUMENTS

Fair values

Assets and liabilities measured at fair value on a recurring basis are presented on the Company's consolidated statements of financial position as at August 31, 2019 and 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, 2019
Assets:				
Cash	$ 1,511	$ –	$ –	$ 1,511
	$ 1,511	$ –	$ –	$ 1,511

	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 payable and accrued liabilities, approximate their carrying values due to the relatively short-term maturity of these instruments.

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 $1,511 and accounts receivable in the amount of $1,388.

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, 2019, the cash balance of $1,511 will not be sufficient to meet its obligations related to its accounts payable and accrued liabilities and due to related party of $313,950 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.

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:

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.

Foreign currency risk

The Company is exposed to foreign currency risk, as certain monetary financial instruments are denominated in US$. At August 31, 2019 the carrying amounts of the Company's foreign currency denominated monetary assets are as follows:

	August 31, 2019 US dollars	August 31, 2018 US dollars
Cash	188	1,684
Accounts Payable	(33,760)	(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 US$ by 5% would increase or decrease net loss by approximately $1,700.

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.

CAPITAL DISCLOSURES

The Company manages its capital, consisting of shareholders' equity, in a manner consistent with the risk characteristics of the assets it holds. All sources of financing are analyzed by management and approved by the board of directors.

The Company's objectives when managing capital are:

a) to safeguard the Company's ability to continue as a going concern; and

b) to ensure the Company has complied with resource property expenditure requirements in respect to issuances of flow-through shares.

The Company is meeting its objective of managing capital through its detailed review and performance of due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to ensure adequate amount of liquidity and review of financial results.

SIGNIFICAN ACCOUNTING POLICIES

The Company's financial statements have been prepared using accounting policies, judgements and estimates consistent with those used in the consolidated financial statements for the year ended August 31, 2019 and period from incorporation on September 8, 2017 to August 31, 2018. Please refer to the audited consolidated financial statements for the year ended August 31, 2019 and period from incorporation on September 8, 2017 to August 31, 2018.

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.

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 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 loss 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.

(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 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 is effective for annual periods beginning on or after January 1, 2019. The adoption of this standard will not have a significant impact on the Company's financial statements

RISKS AND UNCERTAINTIES

The Company is in the mineral exploration and development business and is exposed to a number of operational, financial, regulatory and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company's business, results of operations, and financial performance in future periods.

Limited Operating History

The Company has not yet commenced operations and therefore has no history of earnings or of a return on investment, and there is no assurance that certain of its royalty or streaming interests or other assets will generate earnings, operate profitably or provide a return on investment in the future. The likelihood of success of the Company must also be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company's proposed business strategies incorporate its management's best analysis of potential markets, opportunities and difficulties that it may face. No assurance can be given that the underlying assumptions will be achieved.

The Company has never paid a dividend and, while it currently intends to seek to pay dividends in the future, has no current plans to pay dividends. The future dividend policy of the Company will be determined by the Company's Board. The ability of the Company to raise capital, satisfy its obligations and provide a return to its shareholders will be dependent on future performance.

Disclosure Controls and Internal Control Financial Reporting

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Canadian Securities Administrators do not require any certification on the effectiveness of these controls at this time.

NI 43-101 Compliance Requirements

Under National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), if an issuer discloses in writing scientific or technical information about a mineral project on a property material to the issuer, the issuer must include in the written disclosure the name and the relationship to the issuer of the qualified person who: (a) prepared or supervised the preparation of the information that forms the basis for the written disclosure or (b) approved the written disclosure. For the purposes of this MD&A, William Feyerabend, PGeo, a geologist with more than 30 years of experience is the Qualified Person for the purposes of NI 43-101 has approved the written disclosure in this MD&A. This MD&A references a number of previous new releases in respect of disclosure of technical matters relating to mineral properties and reference should be made to these news releases to fully understand these references.

Government Laws, Regulation & Permitting

Mining and exploration activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. Although the Company believes that all exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its projects. There can be no assurance that the Company will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Additional Financings

The Company expects to be substantially dependent upon the equity and debt capital markets or alternative sources of funding to pursue additional investments. There can be no assurance that such financing will be available to the Company on acceptable terms or at all.

Additional equity or debt financings may significantly dilute shareholders, increase the Company’s leverage or require the Company to grant security over its assets. If the Company is unable to obtain such financing, it may not be able to expand its portfolio of royalty or streaming assets and may not be able to execute on its business strategy. If the Company is unable to obtain financing for additional investments, it may determine to allocate income, if any, from other investments to finance additional investments.

There is no assurance that the Company will be successful in raising sufficient funds to meet its obligations or to complete all of the currently proposed exploration programs. If the Company does not raise the necessary capital to meet its obligations under current contractual obligations, the Company may have to forfeit its interest in properties or prospects earned or assumed under such contracts.

Key Management and Competition

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company’s success.

While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself with respect to the discovery and acquisition of interests in mineral properties, the recruitment and retention of qualified employees and other persons to carry out its mineral exploration activities. Competition in the mining industry could adversely affect the Company's prospects for mineral exploration in the future.

Title to Properties

Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated the title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Company cannot give any assurance that title to such properties will not be challenged or impugned.

Commodity Prices

Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Market Price and Listing of the Company's Shares

The Company has applied to have the Common Shares listed and posted for trading on the CSE. The listing of the Common Shares will be subject to the satisfaction of all of the CSE's initial listing requirements. If the Company receives final approval for listing the Common Shares on the CSE, there is no assurance that it will maintain such listing on the CSE or a listing on any other exchange or quotation service. There can be no assurance that an active trading market will develop or be sustained for the Common Shares. Shareholders may not be able to resell the Common Shares received pursuant to the Arrangement, which may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares. If an active or liquid market for the Common Shares fails to develop or be sustained, the price at which the Common Shares trade may be adversely affected.

An investment in the Company's securities is highly speculative, due to the high-risk nature of its business, lack of diversification and the present stage of its development. Shareholders of the Company may lose their entire investment.

If the Common Shares are publicly traded, the market price of the Common Shares may be affected by many variables not directly related to the corporate performance of the Company, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments and the breadth of the public market for its shares. The effect of these and other factors on the market price of the Common Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of the Common Shares.

Global Financial Conditions may be Volatile

Market events and conditions, including the disruptions in the international credit markets and other financial systems, in China, Japan and Europe, along with political instability in the Middle East and Russia and falling currency prices expressed in United States dollars have resulted in commodity prices remaining volatile. These conditions have also caused a loss of confidence in global credit markets, excluding the United States, resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers and creating a climate of greater volatility, tighter regulations, less liquidity, widening credit spreads, less 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 and investment banks, insurers and other financial institutions caused the broader credit markets to be volatile and interest rates to remain at historical lows. These events are illustrative of the effect that events beyond the Company's control may have on commodity prices, demand for metals, including gold and silver, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business. Global financial conditions have always been subject to volatility. Access to public financing has been negatively impacted by sovereign debt concerns in Europe and emerging markets, as well as concerns over global growth rates and conditions. These and other factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, the favourability of the terms of such financing to the Company. Increased levels of volatility and market turmoil can adversely impact the Company's operations and the price of the Common Shares.

The Company will be Reliant on Third Party Reporting

The Company relies, and will rely, on public disclosure and other information regarding the properties in which it has an interest that it receives from the owners, operators and independent experts of such operations. Such information is necessarily imprecise because it depends upon the judgment of the individuals who operate the properties, as well as those who review and assess the geological and engineering information. In addition, the Company must rely on the accuracy and timeliness of the public disclosure and other information it receives from the owners and operators of the properties, and uses such information in its analyses, forecasts and assessments relating to its own business and to prepare its disclosure with respect to its streams and royalties. If the information provided by such third parties to the Company contains material inaccuracies or omissions, the Company's disclosure may be inaccurate and its ability to accurately forecast or achieve its stated objectives may be materially impaired, which may have a material adverse effect on the Company.

FORWARD-LOOKING INFORMATION OR STATEMENTS AND CAUTIONARY FACTORS THAT MAY AFFECT FUTURE RESULTS

Certain statements contained in the following MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as of October XX, 2018 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Information concerning the interpretation of drill results also may be considered forward-looking statements; as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The estimates, risks and uncertainties described in this MD&A are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in the Company's forward-looking statements. In addition, any forward-looking statements represent the Company's estimates only as of the date of this MD&A and should not be relied upon as representing the Company's estimates as of any subsequent date. The material factors and assumptions that were applied in making the forward-looking statements in this MD&A include: (a) execution of the Company's existing plans or exploration programs for each of its properties, either of which may change due to changes in the views of the Company, or if new information arises which makes it prudent to change such plans or programs; and (b) the accuracy of current interpretation of drill and other exploration results, since new information or new interpretation of existing information may result in changes in the Company's expectations. Readers should not place undue reliance on the Company's forward-looking statements, as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to eventual realization of value from a mineral property; uncertainties as to fluctuation of the stock market; uncertainty of estimates of capital and operating costs; the need to obtain additional financing and uncertainty as to the availability and terms of future financing; uncertainties as to fluctuations in currency exchange rates and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

CERTIFICATE OF THE PROMOTER

Dated: October 21, 2019

This amended and restated preliminary prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated preliminary 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: October 21, 2019

This amended and restated preliminary prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated preliminary 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: October 21, 2019

To the best of our knowledge, information and belief, this amended and restated preliminary prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated preliminary 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