

ALTUM RESOURCE CORP.

3148 Highland Boulevard
North Vancouver, British Columbia
V7R 2X6

**CSE FORM 2A
LISTING STATEMENT**

March 24, 2020

NOTE TO READER

This Listing Statement incorporates by reference the long form prospectus of Altum Resource Corp. (the "**Issuer**") dated March 5, 2020 (the "**Prospectus**"). Certain sections of the form of Listing Statement have been included following the Prospectus to provide additional disclosure, as required by the Canadian Securities Exchange.

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EXHIBIT "A"

Altum Resource Corp.

Long Form Prospectus Dated March 5, 2020

See attached.

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

PROSPECTUS

INITIAL PUBLIC OFFERING

March 5, 2020

ALTUM RESOURCE CORP. (the "Issuer")

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

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

The Common Shares are being offered pursuant to an agency agreement (the "Agency Agreement") dated March 5, between the Issuer and the Agent.

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

Notes:

(1) Pursuant to the terms and conditions of the Agency Agreement between the Issuer and the Agent, the Issuer has agreed to pay the Agent upon closing of the Offering (the "Closing"), a cash commission (the "Agent's Commission") equal to 10% of the gross proceeds realized from the sale of the Common Shares under the Offering. In addition, the Agent will also receive that number of compensation options (the "Compensation Options") equal to 10% of the aggregate number of Common Shares issued in the Offering, which will entitle the Agent to purchase one Common Share at a price that is equal to the Offering Price for a period of 24 months from the Closing. The Issuer has further agreed to pay the Agent a corporate finance fee (the "Corporate Finance Fee") of \$40,000, of which \$30,000 will be payable in cash and \$10,000 in Common Shares (the "Corporate Finance Fee Shares"). Each Corporate Finance Fee Share will have a deemed price equal to the Offering Price. This Prospectus also qualifies for distribution of the Compensation Options and the Corporate Finance Fee Shares, subject to the restrictions described in Note 3 to the agent's position table on page (ii) of the Prospectus

(2) Before deducting expenses of the Offering, to be borne by the Issuer, estimated to be \$90,000.

(3) The Issuer has granted to the Agent an over-allotment option (the "Over-Allotment Option") exercisable, in whole or in part in the sole discretion of the Agent, up to 48 hours prior to Closing, to sell additional Common Shares equal to 15% of the Common Shares issued pursuant to this Offering. If the Over-Allotment Option is exercised by the Agent, the Issuer will issue up to 525,000 additional Common Shares (each an "Over-Allotment Share") for a purchase price equal to the Offering Price, which would result in aggregate gross proceeds of \$402,500. This table excludes any Over-Allotment Shares issuable upon exercise of the Over-Allotment Option. See "Plan of Distribution" below.

(4) The Offering will remain open until the date that is 90 days after a receipt is issued for the Prospectus, unless an amendment to the Prospectus is filed and the principal regulator has issued a receipt for the amendment, in which case the Offering must cease within 90 days after the date of the receipt for the amendment to the Prospectus. In any event, the Offering must cease at the latest 180 days from the date of the receipt for the Prospectus. This Offering is subject to the completion of a minimum subscription of 3,500,000 Common Shares for gross proceeds to the Issuer of \$350,000. If the minimum subscription is not completed within

90 days of the issuance of a receipt for the Prospectus, all subscription monies will be returned to Subscribers without interest or deduction.

All references to Common Shares include the Over-Allotment Shares unless the context otherwise specifies.

The Issuer's head office is located at 3148 Highland Boulevard, North Vancouver, British Columbia, V7R 2X6.

ADDITIONAL DISTRIBUTIONS

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

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

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

The Issuer has applied to list its Common Shares on the Canadian Securities Exchange and has received conditional approval for the listing of its Common Shares thereon. Listing will be subject to the Issuer fulfilling all of the requirements of the Canadian Securities Exchange, including the public distribution requirements.

The Agent's position is as follows:

Agent's Position	Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price or Average Acquisition Price
Over-Allotment Option ⁽¹⁾	525,000	Up to 48 hours prior to Closing	\$0.10
Compensation Options ⁽²⁾	350,000	Within 24 months from the Closing	\$0.10
Corporate Finance Fee Shares ⁽²⁾⁽³⁾	100,000	Upon Closing	\$0.10
Total Securities Issuable to Agent	975,000 (875,000 of which consist of the Over-Allotment Option and the Compensation Options)		

Notes:

(1) These securities are qualified for distribution by this Prospectus. See "Plan of Distribution" below.

(2) These securities are qualified compensation securities ("Qualified Compensation Securities") within the meaning of National Instrument 41-101 – *General Prospectus Requirements* ("NI 41-101") and are qualified for distribution by this Prospectus, subject to the restrictions described in Note 3 below. See "Plan of Distribution" below.

(3) NI 41-101 imposes a restriction on the maximum number of securities which may be distributed under a prospectus to an Agent as compensation. Pursuant to NI 41-101, the aggregate Qualified Compensation Securities must not exceed 10% of the Common Shares offered pursuant to this Prospectus, which in the case of this Offering and the Over-Allotment Option is 402,500 securities. For the purpose of this Offering, any combination of the following totalling 402,500 securities are Qualified Compensation Securities and are qualified for distribution by this Prospectus: (i) up to 100,000 Corporate Finance Fee Shares; and (ii) up to a

maximum of an aggregate 402,500 Compensation Options. To the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offering and the Over-Allotment Option, those securities exceeding the 10% threshold will not be Qualified Compensation Securities, will not be qualified for distribution under this Prospectus and will be subject to a hold period in accordance with applicable securities laws.

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

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

AGENT

HAYWOOD SECURITIES INC.

Waterfront Centre
200 Burrard Street, Suite 700
Vancouver, British Columbia
V6C 3L6

Telephone: (604) 697-7100
Facsimile: (604) 697-7499

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FORWARD-LOOKING STATEMENTS

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

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

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

ELIGIBILITY FOR INVESTMENT

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

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

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

METRIC EQUIVALENTS

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

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

GLOSSARY

"**Adam West Property**" or the "**Property**" means the five contiguous mineral claims covering an area of approximately 3,097.60 hectares, approximately 15 kilometres ("km") southwest of the town of Sayward on Vancouver Island, British Columbia, in the Nanaimo Mining Division.

"**Agency Agreement**" means the Agency Agreement dated March 5, 2020, between the Agent and the Issuer.

"**Agent**" means Haywood Securities Inc.

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

"**Author**" means Hardolph Wasteneys, Ph.D., P.Geo., the Author of the Technical Report.

"**Billingsley**" means Richard Billingsley, an Optionor.

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

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

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

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

"**Compensation Options**" means the options granted to the Agent as compensation for its services in relation to this Offering entitling the Agent to purchase one Common Share per compensation option for a period of 24 months after the Closing Day.

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

"**Corporate Finance Fee Shares**" means the \$10,000 fee to be paid by the Issuer to the Agent as 100,000 Common Shares on the Closing Day in consideration of corporate finance and structuring services provided by the Agent.

"**Issuer**" means Altum Resource Corp.

"**Escrow Agent**" means National Securities Administrators Ltd.

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

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

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

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

"**Optionors**" means Billingsley and Richards collectively, and each, an "Optionor".

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

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

"**Property Option Agreement**" means the option agreement dated April 2, 2019, made among the Issuer and the Optionors with respect to the Adam West Property.

"**Richards**" means Gaye Richards, an Optionor.

"**Stock Option Agreements**" mean the stock option agreements dated November 16, 2019, between the Issuer and certain directors and officers of the Issuer.

"**Stock Option Plan**" means a stock option plan approved by the Board of Directors of the Issuer on November 16, 2019 providing for the granting of incentive stock options to the Issuer's directors, officers, employees and consultants.

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

"**Technical Report**" means the technical report dated July 25, 2019 and dated effective July 25, 2019, entitled "*NI 43-101 Technical Report on the Adam West Property, Northern Vancouver Island, British Columbia*" authored by Hardolph Wasteneys, Ph.D., P.Geo.

GLOSSARY OF TECHNICAL TERMS

Adit	A horizontal or nearly horizontal passage driven from the surface for the working or dewatering of a mine. If driven through the hill or mountain to the surface on the opposite side it would be a tunnel.
Ag	Chemical symbol for silver.
Al	Chemical symbol for aluminum.
Anomalous	A description of anything statistically out of the ordinary.
As	Chemical symbol for arsenic.
Au	Chemical symbol for gold.
B	Chemical symbol for boron.
Ba	Chemical symbol for barium.
Be	Chemical symbol for beryllium.
Bi	Chemical symbol for bismuth.
Chalcopyrite	A sulphide of copper common to most copper mineral deposits.
Chlorite	A member of a group of minerals resembling micas (the tabular crystals of chlorite cleave into small, thin flakes or scales that are flexible, but not elastic like those of micas); they may also be considered as clay minerals when very fine grained. Chlorites are widely distributed, especially in low-grade metamorphic rocks, or as alteration products of ferromagnesian minerals.
Ca	Chemical symbol for calcium.
Cd	Chemical symbol for cadmium.
Ce	Chemical symbol for cerium.
Co	Chemical symbol for cobalt.
Cr	Chemical symbol for chromium.
Cs	Chemical symbol for cesium.
Cu	Chemical symbol for copper.
EM	Electromagnetic.
Epidote	A lustrous yellow-green crystalline mineral, common in metamorphic rocks. It consists of a hydroxyl silicate of calcium, aluminum, and iron.
Fe	Chemical symbol for iron.
Feldspar	A common silicate mineral that occurs in all rock types and decomposes to form much of the clay in soil, including kaolinite.
Ga	Chemical symbol for gallium.
Ge	Chemical symbol for germanium.
Geochemical	Pertaining to various chemical aspects (e.g. concentration, associations of elements) of natural media such as rock, soil and water.
Hf	Chemical symbol for hafnium.
Hg	Chemical symbol for mercury.
Igneous Rock	A rock formed by the crystallization of magma or lava.
In	Chemical symbol for indium.
K	Chemical symbol for potassium (kalium).
La	Chemical symbol for lanthanum.
Li	Chemical symbol for lithium.
Magnetite	A grey-black magnetic mineral which consists of an oxide of iron and is an important form of iron ore.
Metamorphic	Pertaining to the process of metamorphism or to its results.
Mg	Chemical symbol for magnesium.

Mineralization	The presence of minerals of possible economic value – and also the process by which concentration of economic minerals occurs.
Mn	Chemical symbol for manganese.
Mo	Chemical symbol for molybdenum.
Na	Chemical symbol for sodium.
Ni	Chemical symbol for nickel.
Nb	Chemical symbol for niobium.
P	Chemical symbol for phosphorus.
Pb	Chemical symbol for lead.
Ppb	Parts per billion.
Ppm	Parts per million.
Pyrite	An iron sulphide.
Rb	Chemical symbol for rubidium.
Re	Chemical symbol for rhenium.
S	Chemical symbol for sulphur.
Sb	Chemical symbol for antimony (stibium).
Sc	Chemical symbol for scandium.
Se	Chemical symbol for Selenium.
Sn	Chemical symbol for Tin (Stannum).
Sr	Chemical symbol for Strontium.
Ta	Chemical symbol for Tantalum.
Te	Chemical symbol for Tellurium.
Th	Chemical symbol for Thorium.
Ti	Chemical symbol for Titanium.
Tl	Chemical symbol for Thallium.
U	Chemical symbol for Uranium.
V	Chemical symbol for Vanadium.
W	Chemical symbol for tungsten (wolfram).
Y	Chemical symbol for Yttrium.
Stockwork	A complex system of structurally controlled or randomly oriented veins.
V	Chemical symbol for vanadium.
Zn	Chemical symbol for zinc.

PROSPECTUS SUMMARY

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

The Issuer: The Issuer was incorporated under the *Business Corporations Act* (British Columbia) on February 20, 2019, under the name "Altum Resource Corp." and does not have any subsidiaries.

The Issuer's corporate office is located at 3148 Highland Boulevard, North Vancouver, British Columbia, V7R 2X6, and its registered and records office is located at Lotz & Company, Suite 1170, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1.

The Issuer's Business: The Issuer is engaged in the business of mineral exploration and the acquisition of mineral property assets in Canada. Its objective is to locate and develop economic precious and base metal properties of merit and to conduct its exploration program on the Adam West Property.

Further to these objectives, the Issuer entered into the Property Option Agreement pursuant to which it is entitled to earn an undivided 100% interest in the Adam West Property.

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

The Property: The Adam West Property consists of five contiguous mineral claims covering an area of 3,097.60 hectares approximately 15 km southwest of the town of Sayward in the Nanaimo Mining Division, British Columbia.

Management, Directors and Officers: James Walchuck – Chief Executive Officer, President and Director
Blaine Bailey – Chief Financial Officer, Corporate Secretary and Director
Twila Jensen – Director
Stuart Ross – Director

See "Directors and Officers" below.

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

This Prospectus also qualifies the distribution of (i) 100,000 Corporate Finance Fee Shares, to the extent such securities are Qualified Compensation Securities; (ii) up to 350,000 Compensation Options, to the Agent as Qualified Compensation Securities; (iii) up to 525,000 Over-Allotment Shares issuable upon the exercise of the Over-Allotment Option; and (iv) 100,000 Common Shares issuable to the Optionors in respect of the Adam West Property. Assuming the exercise of the Over-Allotment Option in full, an additional 52,500 Compensation Options may be qualified under this Prospectus. However, to the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offering and the Over-Allotment Option, those securities exceeding the 10% threshold will not be Qualified Compensation Securities, and will not be qualified for distribution under this Prospectus.

See "Plan of Distribution" below.

Use of Proceeds: The gross proceeds to the Issuer (excluding proceeds which may be received from the exercise of the Over-Allotment Option) from the sale of the Common Shares offered hereby will be \$350,000. The total funds available to the Issuer at the closing of the Offering, after deducting the estimated expenses of the Offering of \$90,000, the Agent's Commission of \$35,000 and the cash portion of the Corporate Finance Fee of \$30,000, and including the

Issuer's estimated working capital as at February 29, 2020 of \$103,235, are estimated to be \$298,235.

Principal Purpose	Funds to be Used⁽¹⁾
To fund the Phase 1 exploration program on the Adam West Property ⁽²⁾	\$113,505
To pay the amount owing to the Optionors on or before Listing	\$10,000
To provide funding sufficient to meet administrative costs for 12 months	\$88,000 ⁽³⁾
To provide general working capital to fund ongoing operations	\$86,730
TOTAL:	\$298,235

Notes:

(1) See "Use of Proceeds" below. The Issuer intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. In the event of exercise of the Over-Allotment Option, the Issuer will use the proceeds for general working capital and in part, to fund Phase 2 of the recommended exploration program on the Adam West Property.

(2) See "Narrative Description of the Business – Recommendations" below for a summary of the work to be undertaken, a breakdown of the estimated costs and the nature of title to, or the Issuer's interest in, Adam West Property.

(3) The Issuer anticipates that \$30,000 will be paid as consulting fees to a private company.

**Summary of
Financial
Information:**

The following selected financial information is subject to the detailed information contained in the unaudited financial statements and audited financial statements of the Issuer and notes thereto appearing elsewhere in this Prospectus. The selected financial information is derived from the audited financial statements of the Issuer for the period ended July 31, 2019 and the unaudited financial statements for the three month period ended October 31, 2019. The Issuer has established July 31st as its financial year end.

	Three Month Period Ended October 31, 2019 (unaudited)	Period ended July 31, 2019 (audited)
Total revenues	Nil	Nil
Exploration expenditures	Nil	\$97,524 ⁽¹⁾
Consulting fees	\$7,500	\$13,214
Professional fees	Nil	\$25,510
General and administrative expenses	\$54	\$4,048
Rent	\$1,500	\$2,643
Share-based compensation	Nil	\$30,000
Net Loss	(\$9,054)	(\$75,415)
Basic and diluted loss per common share	(0.00)	(0.01)
Total assets	\$245,232	\$262,664
Long-term financial liabilities	Nil	Nil
Cash dividends per share	Nil	Nil

Notes:

(1) Approximately \$84,533 of the exploration expenditures constitute qualifying expenditures within the meaning of the CSE Policy 2 *Qualifications for Listing*.

Risk Factors:

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

An investment in the Common Shares should be considered highly speculative and investors may incur a loss on their investment. The Issuer has no history of earnings and to date has not defined any commercial quantities of mineral reserves on the Adam West Property. The Issuer has an option only to acquire an interest in the Adam West Property and there is no guarantee that the Issuer's 100% interest, if earned, will be certain or that it cannot be challenged by claims of aboriginal or indigenous title, or unknown third parties claiming an interest in the Adam West Property. The Issuer and its assets may also become subject to uninsurable risks. The Issuer's activities may require permits or licenses which may not be granted to the Issuer. The Issuer competes with other companies with greater financial resources and technical facilities. The Issuer may be affected by political, economic, environmental and regulatory risks beyond its control. The Issuer is currently largely dependent on the performance of its directors and officers and there is no assurance the Issuer can retain their services. In recent years both metal prices and publicly traded securities prices have fluctuated widely. See "Risk Factors" below.

Currency:

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

CORPORATE STRUCTURE

Name and Incorporation

Altum Resource Corp. was incorporated pursuant to the *Business Corporations Act* (British Columbia) on February 20, 2019.

The Issuer's head office is located at 3148 Highland Boulevard, North Vancouver, British Columbia, V7R 2X6, and its registered and records office is located at Lotz & Company, Suite 1170, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1.

The Issuer has no subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

Business of the Issuer

The Issuer is engaged in the business of mineral exploration and the acquisition of mineral property assets in Canada. See "Narrative Description of the Business" below.

History

Subsequent to its incorporation, the Issuer has completed private seed capital equity financing, raising aggregate gross proceeds of approximately \$276,001, as set out in "Prior Sales" below. These funds have been, and are being, used for the acquisition, exploration and maintenance of Adam West Property and general working capital. The Issuer intends to raise funds through the Offering to carry out additional exploration on the Adam West Property, as set out in "Use of Proceeds" below.

Acquisitions

To this end, the Issuer entered into the Property Option Agreement whereby the Issuer was granted an irrevocable and exclusive option to acquire up to a 100% interest in the Adam West Property (the "Option"), consisting of five contiguous mineral claims covering an area of 3,097.60 hectares, approximately 15 km southwest of the town of Sayward in the Nanaimo Mining Division, British Columbia, the particulars of which are described in greater detail below.

To exercise its option to acquire a 100% interest in the Adam West Property, the Issuer is required to: (i) pay a total of \$105,000 in cash payments to the Optionors; and (ii) issue a total of 2,000,000 Common Shares to the Optionors (collectively, the "Option Consideration"), in accordance with the following schedule:

Date for Completion	Cash Payment	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred
Upon execution of Property Option Agreement	\$5,000 (paid)	Nil	Nil
On or before the Listing Date	\$10,000	Nil	Nil
Within 15 days of the Listing Date	Nil	100,000 ⁽¹⁾	Nil
On or before the 1st anniversary of the Listing Date	\$10,000	300,000 ⁽²⁾	Nil
On or before the 2nd anniversary of the Listing Date	\$20,000	400,000 ⁽²⁾	Nil
On or before the 3rd anniversary of the Listing Date	\$30,000	600,000 ⁽²⁾	Nil

Date for Completion	Cash Payment	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred
On or before the 4th anniversary of the Listing Date	\$30,000	600,000 ⁽²⁾	Nil

Notes:

(1) These 100,000 Common Shares are qualified for distribution under this Prospectus.

(2) Subject to such resale restrictions and legends as may be imposed by the applicable securities laws.

Once the Issuer has paid the Option Consideration in full, then it shall be deemed to have earned a 100% undivided interest in the Adam West Property, subject to a 1.8% gross smelter returns royalty (the "GSR") on the Property. Once the Issuer exercises its option to acquire a 100% interest in the Adam West Property and upon the commencement of commercial production thereon, the GSR is payable to the Optionors on the actual proceeds received from any mint, smelter, refinery or other optionee for the sale of gold, ores, base metals, precious metals, rare earth metals, elements and any other minerals normally subject to smelter returns or concentrates produced from the mineral claims comprising the Adam West Property. The Issuer will be the operator of the Adam West Property during the term of the Property Option Agreement. The Issuer is responsible for maintaining the Property in good standing and doing and filing all necessary assessment work or the making of any necessary payments in lieu thereof. The Issuer will also pay any taxes and rentals levied with respect to the Adam West Property and will apply and pay for assessment credits for the mineral claims comprising the Adam West Property for all the work and expenditures conducted on all or any part of the Adam West Property. The Optionors are both at arm's length to the Issuer.

If, after the effective date of the Property Option Agreement (being April 2, 2019), the Issuer acquires, directly or indirectly, an interest or right in a mineral claim located within 5 km of the boundaries of the Adam West Property as it was constituted at the effective date of the Property Option Agreement, that interest or right shall be deemed to form part of the Adam West Property and shall be subject to the Property Option Agreement. If, after the effective date of the Property Option Agreement, the Optionors acquire, directly or indirectly, an interest or right in a mineral claim located within 5 km of the boundaries of the Adam West Property as it was constituted at the effective date of the Property Option Agreement, the Optionors shall notify the Issuer in writing as to the details of such acquisition and the cost thereof, and if the Issuer notifies the Optionors within 30 days after receiving such details that it wishes such mineral claims to become part of the Property, then the mineral claims so acquired shall be deemed thereafter to be part of the Property, and the costs of such acquisition shall be paid by the Issuer. In the event that the Issuer does not consent to such mineral claims becoming part of the Property, then the Optionors shall be entitled to hold such mineral claims free of the terms of the Property Option Agreement

Trends

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

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

Intention Regarding Future Business of the Issuer

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

NARRATIVE DESCRIPTION OF THE BUSINESS

Overview

The Issuer is engaged in the business of acquiring and exploring mineral resource properties. The Issuer's sole property is the Adam West Property, located on Vancouver Island, British Columbia, approximately 15 km southwest of the town of Sayward in the Nanaimo Mining Division. The Issuer's interest in the Property is governed by the Property Option Agreement. See "Acquisitions" above.

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

Adam West Property, Nanaimo Mining Division, British Columbia, Canada

The following information regarding the Property is summarized or extracted from an independent technical report dated July 25, 2019, and effective July 25, 2019, entitled "*NI 43-101 Technical Report on the Adam West Property, Northern Vancouver Island, British Columbia*" (the "Technical Report") prepared for the Issuer by Hardolph Wasteneys, Ph.D., P.Geo. (the "Author") in accordance with the requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). The Author is a "qualified person" within the meaning of NI 43-101.

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

Description and Location of the Adam West Property

The Adam West Property is located on Vancouver Island, British Columbia, Canada, approximately 15 km southwest of the town of Sayward (Figure 2), and lies just west of the dividing line between UTM zones 9 and 10 straddling NTS 1:50,000 topographic maps sheets 92L 01 and 08.

The center of the Property is at 50° 16' 29" N latitude by 126° 03' 5" W longitude or in UTM Zone 9 coordinates 710084 E and 5573344 N, NAD83 datum. There are no other adjoining claims.



**Figure 1. Roadside outcrops on the Adam West Main logging road. View looks south along the Upper Adam River Valley obliquely towards the ridge at the southern extent of the Property on the right. The outcrop is within the Island Intrusive Suite, Adam River Pluton on the east side of the Property.
Photo by the Author, May 13, 2019.**



Figure 2. Location of the Adam West Claims on Northern Vancouver Island. Map drawn in ArcGIS by the Author using National Geographic Topographic base map and current Mineral Titles files for May, 2019.

Mineral Tenures

The Adam West Property consists of five mineral claims numbered 1049417, 1057922, 1057924, 1057941, and 1058977 (the "Adam West Claims") amounting to 3097.60 hectares in the British Columbia Mineral Title Online cell system which lists Billingsley as sole owner of each.

Mineral Title details listed in Table 1 were downloaded from the MTO web site and are current as of July 25, 2019. All mineral titles are in the Nanaimo Mining Division.

Table 1. List of Mineral Titles, Adam West Property as of July 25, 2019

Title Number	Claim Name	Issue Date	Good To Date	Area (ha)
1049417	--	2017/Jan/24	2020/Sep/28	82.6
1057922	--	2018/Jan/25	2020/Sep/28	289.1
1057924	ADAM WEST BLOCK 092L.030	2018/Jan/ 25	2020/Sep/28	1548.4
1057941	ADAM WEST BK 1 092L.030	2018/Jan/26	2020/Sep/28	62.0
1058977	ADAM WEST BK 2 092L.030	2018/Mar/01	2020/Sep/28	1115.6

Total Area: 3097.60 ha

Information posted on the MTO website indicates that all of the claims listed in Table 1 are owned 100% by Mr. Richard John Billingsley.

Required Permits and Reporting of Work

The claims establish subsurface rights to the owner for minerals (base and precious metals) as outlined in the *Mineral Tenure Act* of British Columbia (the "Mineral Tenure Act"). Billingsley's Adam West Property claims are listed in the British Columbia Mineral Titles On-line system (<http://www.mtonline.gov.bc.ca/>), the boundaries of which are predetermined by geographically defined cells conforming to a provincial mineral titles grid system. Neither the claims nor the Property boundary have been surveyed or marked on the ground, nor is this required for resolution of Property issues. The claim boundaries are shown on a physiographic map in Figure 4.

Retention of the Property requires filing Statements of Work with the British Columbia Mineral Titles System reflecting expenditures on qualifying exploration and development work. On the basis of the Mineral Tenure Act the required work must amount to a minimum of \$5/ha/year for the first 2 years the claims are held, and then \$10/ha/year for the next 2 years, \$15/ha/year for the next 2 years and finally \$20/ha/year for each subsequent year. Technical reports (assessment reports) must be filed and accepted after review by the British Columbia Ministry of Mines describing the applicable work with cost statements justifying the exploration expenditures.

The Property is underlain by Crown land with no known adverse claims to mineral rights, including by aboriginal groups. However, aboriginal rights and land title are complex and evolving areas of liability for resource projects in British Columbia and proponents of projects are advised to consult with and maintain relations with local indigenous groups. Logging rights are maintained under Timber Farm Licenses (TFLs) and roads are considered part of the provincial Forest Service Road network and thus not subject to closure by the TFL owner, Western Forest Products, except locally during logging operations for safety reasons. Future access via the road system may be affected by eventual cessation of logging activity in the area and maintenance of the roads by Western Forest Products, however the existence of provincial recreation sites in the headwaters of the Adam River may be a good indication that the province will continue to maintain the Adam River Main forest service road. There are no known environmental liabilities, significant factors and risks that affect access, title, or the right or ability to perform work on the Property.

The current and previous mineral tenures were all staked after the expiry of previous claims, and, thus, there are no inherited royalties or Net Smelter Returns attached to the Property except as provided in the Property Option Agreement between the Issuer and the Optionors, which is further discussed below.

Environmental Liabilities

The Author is not aware of any environmental liabilities related to the Property.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access

The Adam West Property (Figure 2) is located straddling the Upper Adam River (Figure 3) in an active logging district accessed by well-maintained Forest Service Roads (Figure 1). Access to the Upper Adam River logging road system is directly from the south side of Highway 19 about 8 km west of Sayward Junction near Keta Lake and about 60 km northwest of the coastal city of Campbell River. The south edge of the Property is 10 km from Highway 19 by Upper Adam Main. The west side of the Property is accessed by a branch road leading west from a junction on Adam Main 500 m south of Highway 19 and ascends the west side of the ridge above Adam River. Helicopter access is available through various contract helicopter companies based in the Campbell River area, but landing sites are mainly along logging roads or in slashes. Within the Property the logging road network is currently being expanded along the ridge underlying the west side of the Adam West Claims and to the south (Figure 4).

Climate and Vegetation

The climate is typical of the central areas of Vancouver Island Insular Mountain ranges having high annual amounts of precipitation and moderate to mild elevation dependent temperatures. Annual precipitation totals vary depending on the effect of alpine rain shadows, but typically range from 1 to 2.5 m with significant amounts falling as snow between December and April. Climate is highly dependent on Pacific Ocean weather patterns and particularly the El Nino Southern Oscillation (ENSO) resulting in decadal fluctuations in snow pack depths and duration. Freezing levels typically fall below 1000 m in mid-November and fluctuate during the winter season as low as sea level with mild excursions well above the 2200 m summits of local mountains. Snowpacks are highly elevation and ENSO dependent

and can range from a few meters to several meters in the alpine above 1000 m and remain until late April in low snow years to June or July in high snow years. In the immediate area, the snow pack typically remains until early May above 500 m, particularly on north aspects of mountains and in steeper sided valleys. Summer weather can also vary widely, but typically is characterized by periods of clear weather up to 3 weeks long interspersed with rainfall events.

The Property is subject to variably heavy snowfall from December through April, and the length of the operating season is typically 10 months between early March and late November in the lower elevations and approximately 7 months on the ridge crest.

The Property and surrounding land are all below tree line and vary from Douglas Fir in lower elevations to mixed Yellow Cedar (Nootka False Cypress) and Amabilis Fir on the ridge tops. Recent clear cut logging has opened up much of the southern part of the Property east of the Adam River and in numerous 10 hectare blocks on the ridge. Much of the timber on the ridge is original old growth, but probably of less than 300 years in age.

The climate has resulted in the development of Humo-Ferric Podzols because soils are usually moist to humid year round. This results in leaching of upper mineral horizons (pH of 4.0 to 5.0) and causes translocation of iron and aluminum. Organic matter is not readily absorbed into the lower mineral soils (translocated), hence a reddish brown Bf-horizon develops which may exceed 1 m in thickness (Lett, 2008).

Local Resources

The main local resources are logging infrastructure in the form of active, well maintained logging roads, and aggregate sources from the extensive till and glaciofluvial deposits of the area. Campbell River has many industrial services available to serve logging, mining and fishing operations.

Infrastructure

There is no existing infrastructure on the Property apart from the logging road system described under "Access" above.

Physiography and Surficial Geology

The Property is located about 15 km southwest of the coastal town of Sayward in mountainous terrane bisected by the Adam River (Figure 3). The most prominent geographic feature of the Property is a steep sided north-south oriented timbered ridge with summit elevations of 1200 m shown on the topographic map in Figure 4. The Property lies on the eastern slopes of the ridge which is cut by a nearly straight northerly flowing reach of the Adam River. The river flows alternately through bedrock canyons up to 30 m wide (Figure 3) or broad shallow areas of glaciofluvial gravels. To the east of the Adam River the Property exhibits more subdued topography and that has been largely exploited by at least one phase of logging during the past century.



Figure 3. The Upper Adam River within the Property. Looking downstream along the Adam River from outcrops on the east bank of the river at the Lucky Jim Showing. Rock outcrops on the west bank (left) are basalts of the Karmutsen Formation. On the right bank, basalts are cut by porphyritic dyke probably from the Jurassic Island Plutonic Suite. Photo by the Author on May 13, 2019.

The steep west side of the Adam River valley (Figure 3) is underlain by volcanic rocks of the Karmutsen Formation that have been sculpted by valley glaciation of the blocky fractured subhorizontal flows. The lower reach of the river valley itself has incised limestone and sedimentary rock of the Quatsino Formation and Parsons Bay Formation that are adjacent to a large plutonic mass to the east underlain by rugged terrane. In the southern area of the claim block the river valley remains linear and appears to follow a N-S fault structure such as is common elsewhere on the island such as the alignment of Buttle Lake approximately 60 km to the south.

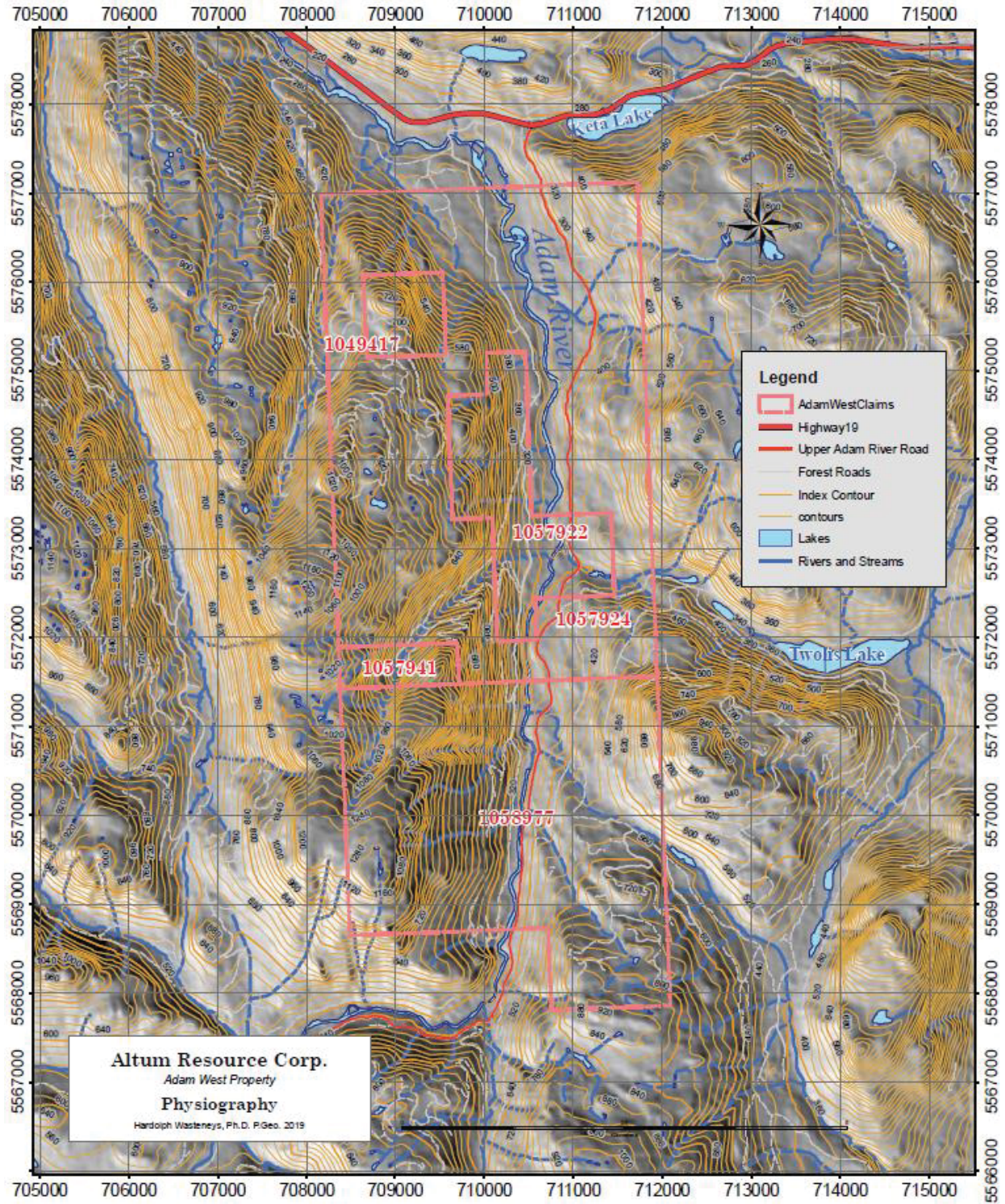


Figure 4. Physiography of the Adam West Claims. Contours are from Natural Resources Canada Canvec databases in metric intervals: north side of map (NTS92L-08) is at 20 m and south part (NTS92L-01) at 40 m.

The base map is a hillshade raster. The Adam West Claims are outlined in red. Island Highway 19 is north of the Adam West Claims and the turn off to Adam Main is at about kilometer 220. Map drawn by the Author in ArcGIS (June, 2019) using current British Columbia government sources for streams and logging roads.

The steep slopes above the Adam River are heavily treed, but underlain by colluvial deposits in the form of blocky talus. Steeper slopes above the talus expose thick sequences of flows of Karmutsen Formation basalt. Surficial deposits in the area range from bare rock in higher sub-alpine areas to thin (1 to 2 m) till and colluvium primarily found on middle to upper slopes. Lower valley floors are covered in thicker (> 10 m) till, colluvium and glaciofluvial sediments. Thick deposits of glaciofluvial gravels may be identified in the northern part of the Adam West Claims east of the river (Figure 5). Similar deposits are typical of major valleys such as the Nimpkish River (10 km to the NW) where very thick sequences of glacial advance deposits, till, recessional outwash, post-glacial lacustrine and fluvial deposits are present (Figure 5).

The landscape was modified through three separate glacial and non-glacial intervals that are recognized on Vancouver Island (Lett, 2008). The last and unconsolidated sediments were deposited during, or subsequent to the recent Fraser Glaciation. Onset of the Fraser Glaciation was diachronous from north to south on Vancouver Island between 29,000 and 19,000 years before present. In the early alpine glaciation phase, ice flowed through preexisting valleys either towards the Strait of Georgia or towards the Pacific Ocean and then, when it had reached 1500 m thickness in the Strait, was dominantly southwest across all but the highest peaks such as Mounts Warden and Victoria, located approximately 25 km to the south of the Property.

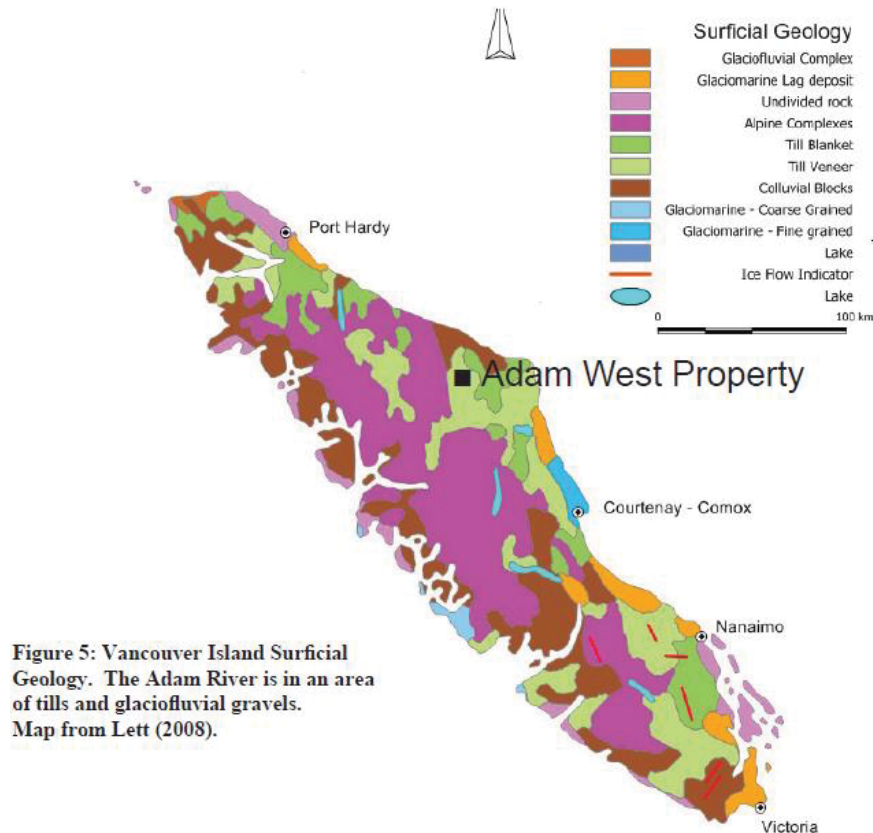


Figure 5: Vancouver Island Surficial Geology. The Adam River is in an area of tills and glaciofluvial gravels. Map from Lett (2008).

Deglaciation commenced approximately 13,000 years before present first returning glacial activity to alpine glaciation and then, eventually causing ice stagnation blockage of alpine valleys resulting in deposition of glaciolacustrine and ice contact tills. Discrete valley and alpine glaciers replaced the continental ice sheets that formerly covered all but the highest peaks.

Numerous alpine tarns in the massifs south of the Adam West Claims are the result of isolated alpine glaciers. Further glacial downwasting prior to 9500 years before present resulted in stagnation of the ice masses from which large quantities of meltwater deposited thick sequences of ice contact material, such as kame terraces on valley sides and recessional outwash in major valleys. Final deglaciation was rapid, opening valleys to marine incursions until isostatic

uplift raised the eastern side of Vancouver Island by as much as 175 m relative to sea level and resulting in the emergence of thick glaciofluvial deltaic deposits such as those prominent around Campbell River.

Suitability for Mining Operations

There is ample low relief terrane underlain by thick tills and glaciofluvial deposits in the northeast part of the Property adjacent to Highway 19 and adequately removed from the Adam River. The glaciofluvial sediments are currently sourced for road construction in the area, and could provide ready construction materials for mine infrastructure and tailings disposal facilities, if permitted. The terrane on the ridge west of the Adam River is steep on the eastern aspect potentially being advantageous for underground operations within the ridge. However, the Adam River runs close to the steep slopes along the eastern base of the ridge and so there is little room for operations. The crest of the main ridge is rugged, and there are existing logging operations and a road system that is being expanded to the south.

Hydro power generating facilities are located in a series of three dams between Upper Campbell Lake (at 220 m elevation) and the town of Campbell River (sea level). A 138 kV branch of the high tension transmission line grid runs from the 64 MW capacity Strathcona Dam on Upper Campbell Lake west to Gold River (line IL120) and then NW to the north island towns of Port McNeill and Port Hardy (line IL137). This line is located about 30 km SW of the Property. A lower capacity branch line runs from the 138 MW John Hart generating station at Campbell River north to Sayward, which is about 15 km northeast of the Property.

The Adam River is a source of water on the Property, although it is a fish bearing river which will entail restrictions on amounts available. Alternatively, Keta Lake and Twolis Lakes are located within a kilometre of the Property.

Sea port facilities are located in Campbell River and currently handle mineral concentrates from the Myra Falls polymetallic mine.

History

Sources

The history of mineral exploration and development on and in the vicinity of the Property dates back at least a century and is recorded in several publicly available sources including: (i) the British Columbia Assessment Report Information System ("ARIS"), a Geographic Information System ("GIS") based reference to mineral exploration reports dating back to the 1960s and providing links to PDF copies of the field reports; (ii) Property Files, which are usually private mineral exploration and geological reports donated to the British Columbia Geological Survey Branch ("BCGSB") by individuals and companies; (iii) Minfile records also available as GIS files with links for descriptions of mineral showings and occurrences of significance as determined by assessment report reviewers and British Columbia Geological Survey Branch geologists; and (iv) Annual Reports of the Minister of Mines of British Columbia for the period between the late 1800s and the 1950s.

The current Minfile showings in the vicinity of the Property are shown on Figure 6. Names of the showings have changed over time and on the map the current nomenclature is used. In the text below various additional historical names are mentioned in their historical context.

Previous mineral tenures do not correspond to the present Property boundaries and the provincial claims system changed in 2004 from ground based, variably-oriented two post and perimeter staked claims to the present geographically predefined cell claims that facilitates online staking. Consequently, many historical descriptions in assessment reports are either for small fractions of the present area or for overlapping and adjacent areas. However, as showings became known over time and established as Minfile showings, successive stakers of mineral claims tended to restake them, thus, restaking the same ground in attempts to augment or reinterpret old data to make a new discovery. Where old properties are referred to in the following descriptions their location is approximated with respect to the current Property boundaries and Minfile showing rather than exhaustively remapping them. Previous claims staked under the current British Columbia Mineral Titles Online cell claims system can readily be referenced using GIS files available for claim history.

Of the sources researched for the Property, 22 assessment reports, 7 Property Files, and 9 Minfile records were located by geographic location within the bounds of the Property and several citations in the Annual Reports were found by searching indexes to reports for the period 1874 to 1936 (reports for 1918, 1926, 1928, 1929 found in Nation, 1938) and 1937 to 1943 (found in Nation, 1944). General geological information on the Property was gleaned from

geological survey maps and reports by provincial (BCGSB) and federal (Geological Survey of Canada) geologists. Assessment reports are used below as a basis for the chronology of exploration.

Early History

The earliest mention of exploration activity within the vicinity of the Adam West Property is from the Annual Report of the Department of Mines for 1918 (reproduced as Figure 7) which cited the Lucky Jim showing as a new discovery near the headwaters of the Adam River. The report described the Lucky Jim showing as consisting of a zone 10 feet wide and 50 feet long at the contact of granodiorite and limestone where replacement had resulted in an assemblage of pyrite pyrrhotite, marcasite and chalcopyrite in a gangue of hornblende and calcite. An assayed sample showed: Gold 0.9 oz/ton; Silver 1.4 oz/ton; and Copper 4.35%. Adits, existing in riverside cliffs today on the east bank of the Adam River were described as "one 70 feet long and some cross cuts". Access to the Property in 1918 was by about 15 miles of trails from the mouth of the Salmon River on the north coast of Vancouver Island near Sayward. The next mention of the Property is in the Annual Report for 1926 when the Consolidated Mining and Smelting Company ("Cominco") had reportedly optioned the 3 claim Property. By the annual reports for 1928 and 1929 (Clothier: 1928, 1929), the Property had been diamond drilled, but the Cominco option was dropped. No other information was available about the Cominco drilling other than three drill core assays and hole orientations reported in Taylor (1980) and shown in Figure 11. No other parts of the Property are mentioned in the Annual Reports for this period. Subsequently, the Lucky Jim showing, which is located at 710560 East by 5570730 North (Zone 9, NAD 83) has been referred to as the Cam-Doc occurrence in Minfile record 92L-180 after various claim names over the area.

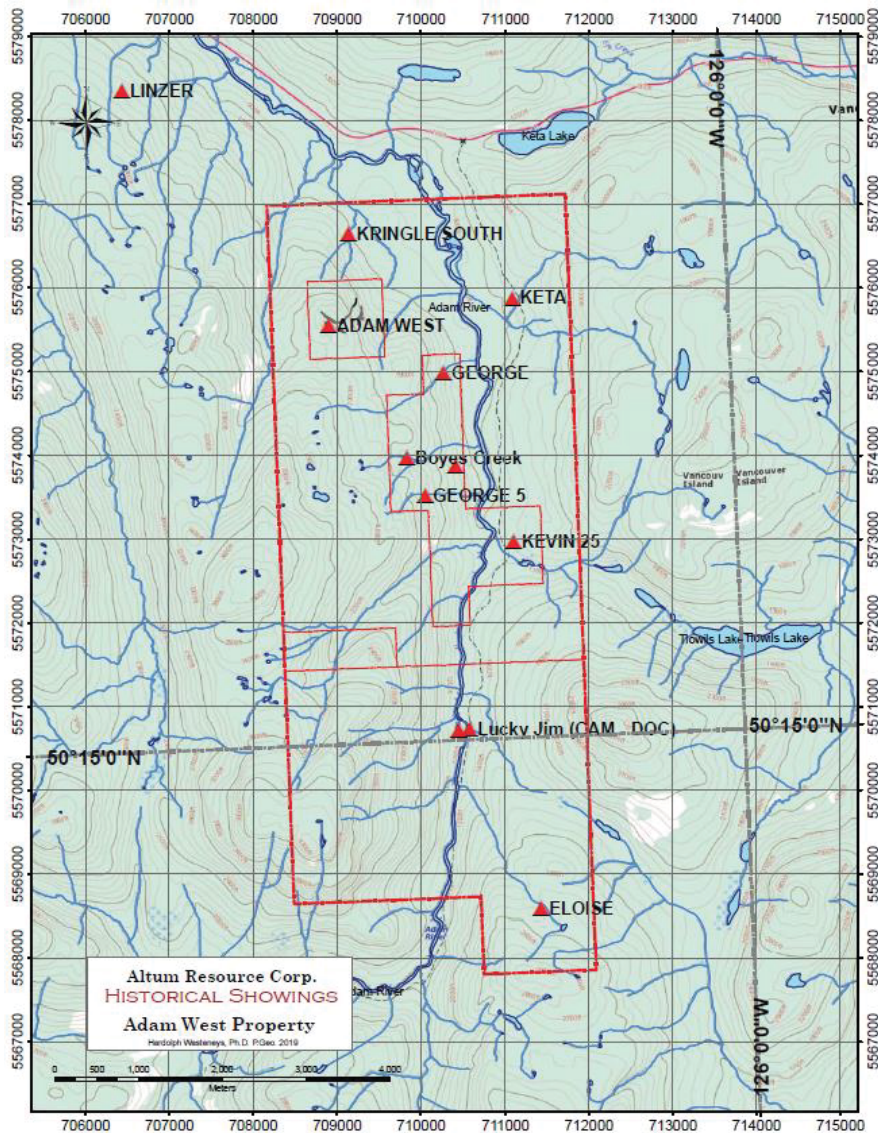


Figure 6. Historical Mineral Showings of the Property Area. Red triangles mark Minfile classified historical showings labeled with names in current use. Base map is Toporama series 1:50,000 NTS sheets 92L 01 and 08. Map drawn by the Author in ArcGIS

SALMON RIVER SECTION.

The Salmon River section is so named because, although there have been no occurrences of metalliferous minerals reported from the immediate vicinity, yet the wharf at the mouth of Salmon river is the point of debarkation to reach the Adams river, on which mineral deposits occur.

This group contains three mineral claims known as the *Lucky Jim*, *Lucky John* and *Marjorie*. The group is located on Adams river, which flows into Johnstone strait about fifteen miles north-westerly from the mouth of the Salmon river. The property is reached by means of a poor trail from the junction of the Salmon and White rivers, about seven miles from the Salmon River wharf. The trail follows the east bank of the White river for about half a mile; then takes a south-westerly direction across a comparatively flat country, with several small lakes, beaver meadows, and swamps, for a distance of about ten miles to the headwaters of the Adams river. The property is owned by Alec and Walter McKay, of Vancouver.

Geology.—The rocks on the *Lucky Jim* group are granodiorite and limestone, and occur in a zone of metamorphism in which shearing action has been very pronounced. Several narrow quartz stringers are noticeable in the shear-planes, but none of them appear to carry any mineral.

Characteristics of the Ore-deposit.—The deposit of ore which occurs on the *Lucky Jim* claim of the group belongs to the contact-metamorphic type, with copper minerals occurring at the contact of granodiorite and limestone. The mineralization consists of pyrrhotite, iron pyrite, marcasite, and chalcopyrite in a breccia gangue containing much hornblende and some calcite. Apparently the ore occurs as a partial replacement of the metamorphic rocks in the contact-zone.

The main outcroppings occur in the bed and along the bank of the river, where they show for about 10 feet wide and 50 feet long. The line of strike is north-easterly and dip from 64 degrees to nearly vertical to the south-east. A sample taken from the workings assayed: Gold, 0.9 oz.; silver, 1.8 oz.; copper, 5.35 per cent.

Development-work.—The work on the *Lucky Jim* group of mineral claims is confined to the *Lucky Jim* claim, and consists of a series of prospect-adits driven into the outcrops in the river-bank. The longest is about 70 feet long; the others are each about 10 feet long. The short adits are crosscuts and the long one is presumed to be a drift.

Conclusions.—The examination of this property suggests that, if the transportation facilities were good, instead of being quite difficult, the possibilities are promising, and warrant further development-work, which might result in proving up a mining property of commercial value.

Figure 7.
Report on the
Lucky Jim
Showing from
the Annual
Report of the
Minister of
Mines for
1918.

Historical Assessment Reports

Report 01993; Sharp (1969), Bethlehem Copper Corporation Ltd.; Boyes Creek

The present assessment report system was established in the mid 1960s and the first report on a part of the Property is from 1969 in British Columbia Department of Mines assessment report 01993 (Sharp, 1969). The Boyes Creek showing was worked on by doing outcrop stripping, trenching a soil sampling through which they defined a structure along the bed of Boyes Creek. The site is now documented as Minfile site 92L-165, which reports a weighted average in the western, or upper reaches of the creek, of 3.9% copper over a 4 foot width. Trench results are more revealing with high results of 3' at 13.75% Cu and 20.6 g/t Ag and in another trench 2' width of 4.11 % Cu, 26.7 g/t Au, and 202 g/t Ag. The structure was described as a "braided lode containing stringers, lenses and disseminations of chalcopyrite and bornite, with minor chalcocite and native copper" over a length of 1,000 feet. The lode also included sulphide cemented breccias caused by intersecting fracture sets. Sharp mapped the creek canyon in a high degree of detail as indicated in a short section of his longitudinal map in Figure 8. However, Sharp observed strong magnetic field variations in the canyon that affected the true representation of the alignment of successive sections of the creek on his map.

To the south of the Boyes Creek showing the George 5 showing was discovered, but not as well defined and included a 5 foot wide section with an average grade of 0.90% Cu, 0.69 g/t Au and 6.9 g/t Ag.

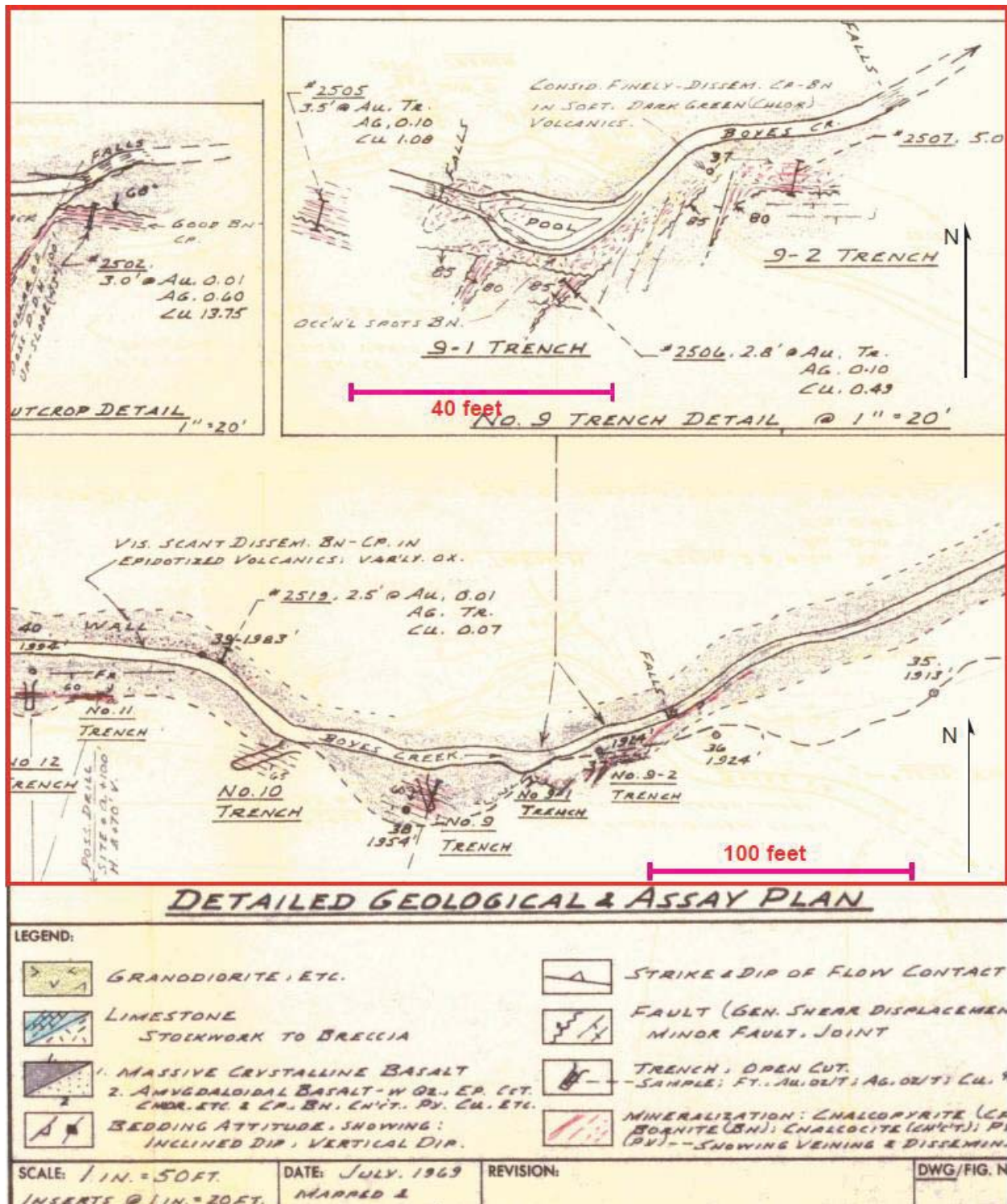


Figure 8. Geological Map of the Boyes Creek Showing (Sharp, 1969). Part of the map of Boyes Creek by Sharp (1969) showing details of fracture sets hosting mineralization. The creek appears to be eroding along a fault in many sections. The mineralized fractures are mainly in the footwall on the south slope and contain thick, but discontinuous lenses, of massive sulphides, mainly bornite, chalcocite and chalcopyrite.

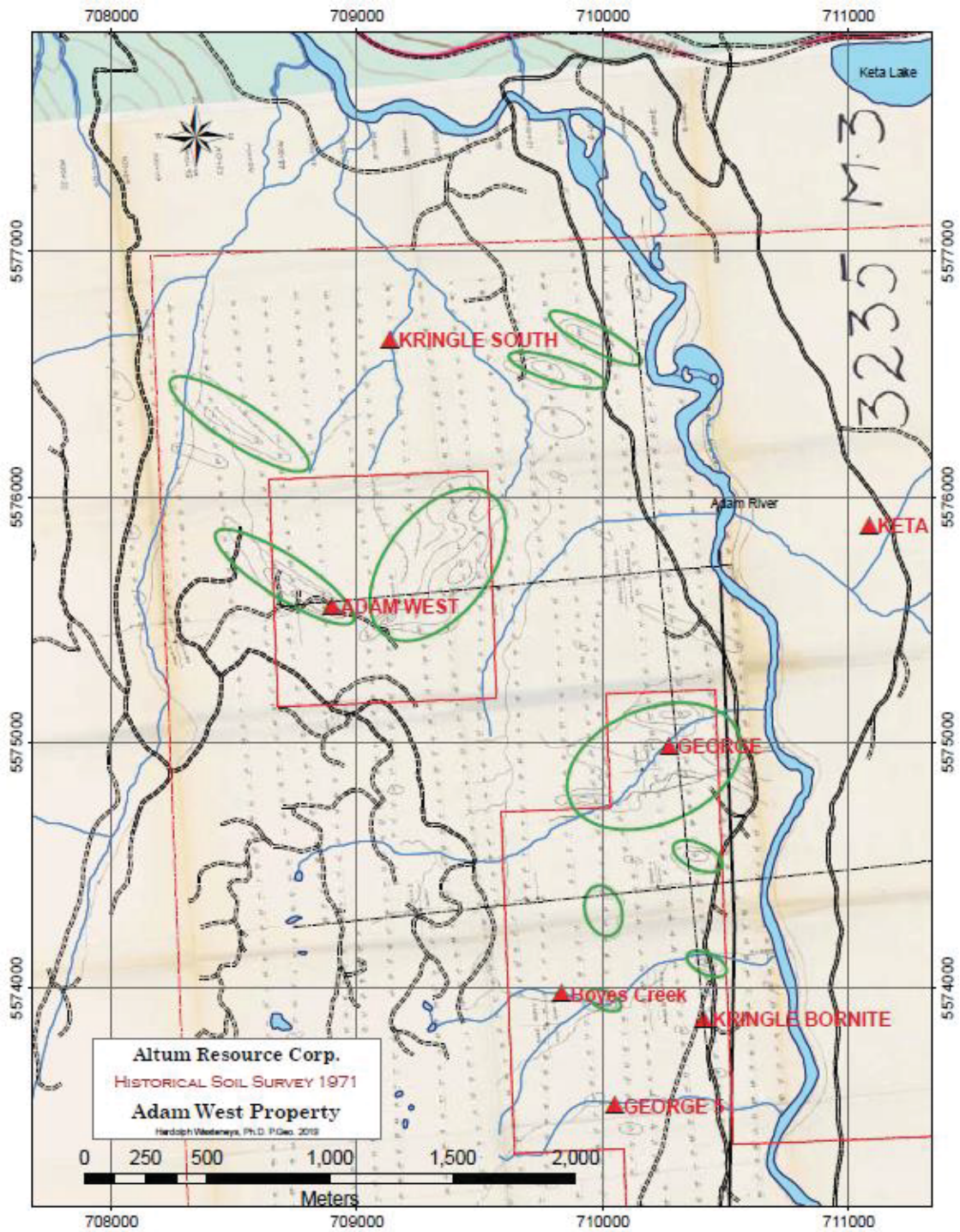


Figure 9: Georeferenced 1971 Copper in Soils Geochemistry Map. Map is approximately georeferenced to current river and stream features, as shown in blue. The 1971 soil survey map consists of labeled copper concentrations at sampling points. Anomalous areas are defined on the original map by contours. These have been highlighted by the Author with green ellipses. Current Property boundaries, forest service roads and Minfile showings are overlaid on the old map for reference. Map georeferenced from Report 03235 (Mottershead, 1971 page 21) by the Author in ArcGIS 9.3 June 2019.

Report 03235; Mottershead (1971); Conoco Silver Mines Ltd., 1971; Boyes

During the 1971 field season Conoco Silver Mines Ltd ("Conoco Silver Mines" or "Conoco") explored the Bruce-Dennis-Kevin group of claims as the Sayward Property (Mottershead, 1971), which corresponds approximately to the

northern two thirds of the present Adam West Property. Mottershead (1971) describes conducting a soil geochemical survey along N-S grid lines at 4,000 foot spacings with sample spacing of 200 or 100 feet. Approximately 1300 samples were collected, but were analysed only for copper except one locality where molybdenum was also reported. Anomalous copper geochemical results were described in the vicinity of an informally named "North Creek" associated with north striking mineralized faults, and in the northern part of the Property with volcanics on the periphery of a flat lying limestone unit interleaved within the mafic volcanic flows. Pyrite and "minor copper" mineralization was mentioned along the fault. Approximate georeferencing of the anomaly map from the report shown in Figure 9 shows that the anomalous areas included, the Adam West showings where a shallow dipping interflow limestone layer had been mapped, and the vicinity of informally named "North Creek" (Mottershead, 1971), and current Minfile reference 092L-167. This latter site is approximately 1 km north of the Boyes Creek showings that are a subject of current exploration by the Issuer. Interestingly the Boyes Creek area only registered a small anomalous area.

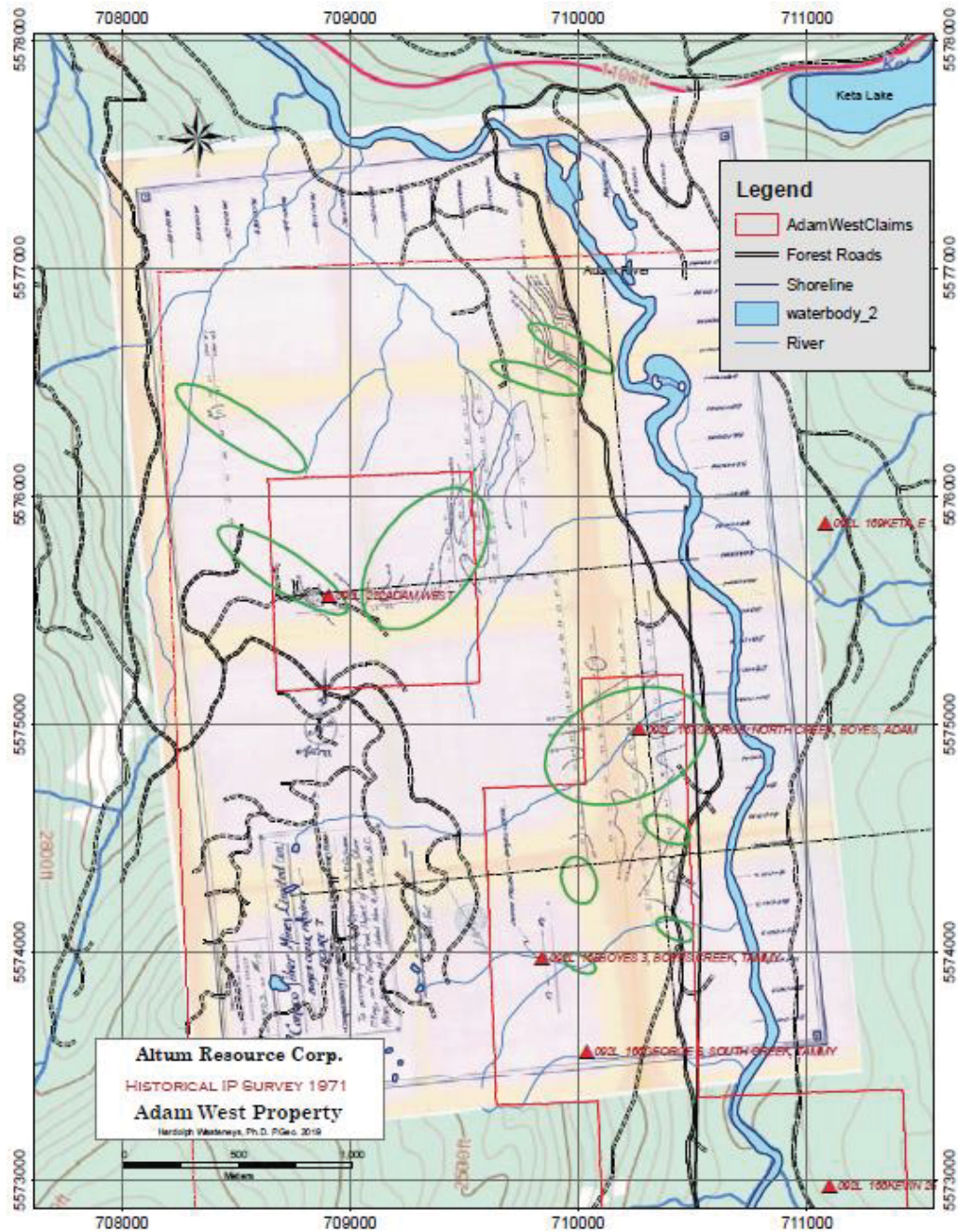


Figure 10. Historical IP survey, Cochrane (1971). The original map shows contours of "metal factors" calculated from ratios of chargeability and resistivity. The IP survey grids were located in areas of anomalous copper soil geochemistry (see Figure 9). The green ellipses are carried over from Figure 7 to

outline the areas of geochemically anomalous copper. Dot-dash black lines are the baselines of the 1971 survey grid used in georeferencing. Georeferencing approximated by the Author in ArcGIS 9.3, June 2019 from report 3403 (Cochrane, 1971).

Report 03306; Sharp (1971), Western Standard Silver Mines Ltd.; Boyes

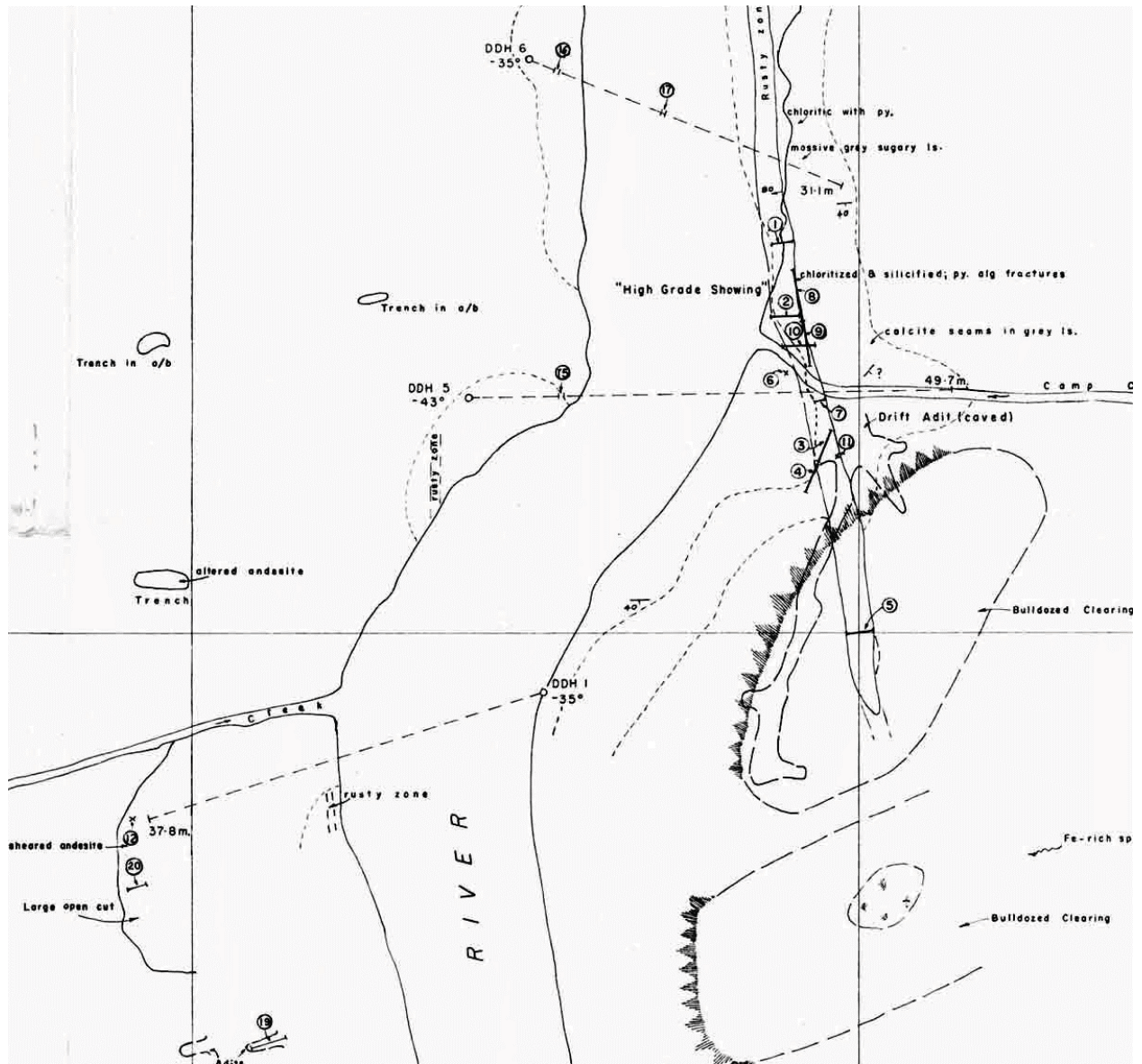
Sharp (1971) reported on two properties for Western Silver Standard Mines, the Tammy Group NW of the Conoco claims (and the current Adam West Property), and claims called the M1-37 Group adjoining the south border of the Conoco Boyes Group claims reported on by Mottershead (1971). The M1-37 Group occupied an area in the middle quarter of the Adam West Property. Sharp (1971) mapped the geology of both claims and collected 188 soils samples from the M1-37 Group and 60 samples from the Tammy Group. His mapping showed that Karmutsen Formation basalts occupy much of the section west of the river. Intrusive rocks of dioritic and granodioritic compositions occupy much of the ground to the east of the river separated from the Karmutsen Formation by a 400 foot wide band of limy basaltic tuffs and dark carbonaceous limestone metasomatically altered in places to "pyroxene-rich migmatites" and recrystallized limestone forming a locus for the river. The conclusions from the copper geochemical survey was that the few defined "3rd-order" anomalies did not warrant further work.

Report 03403; Cochrane (1971), Conoco Silver Mines Ltd., 1971; Boyes Group

Conoco (Cochrane, 1971) conducted an IP survey within the Boyes Group consisting of several N-S survey lines, an E-W baseline and a single "depth probe" line above the fork in Boyes Creek. In present terms the survey grid occupied the northern part of the Issuer's claim 1057922 between Boyes Creek and North Creek. The purpose was to evaluate the geochemically anomalous areas outlined in Figure 9. They produced self potential, resistivity and chargeability contour maps as well as a "metal factor map" derived from ratios of chargeability and resistivity. The metal factor map is georeferenced in Figure 10 and overlaid with the geochemical anomalies defined in Figure 9. The metal factor maps show anomalous areas, but Cochrane's evaluation of them by correlation factors showed a *"very weak tendency for apparent resistivity values to increase as chargeability increases"*. Similarly, he noted that the *"coefficient of correlation between copper geochemical values and metal factors" ... "indicating a very weak tendency for geochemical values to decrease in areas of high metal factors"*. From this he concluded that the geochemical highs reside on the flanks of the metal factor peaks. In the Author's opinion, the displacement of soil geochemical anomaly from a related geophysical anomaly may be caused by downslope movement of anomalous soils or hydromorphic dispersion.

<u>Sample No.</u>	<u>Width (m)</u>	<u>Au oz/ton</u>	<u>Ag oz/ton</u>	<u>% Cu</u>
86276	1.83	.058	.60	1.66
86277	2.44	1.298	.72	.93
86278	2.44	.042	.28	.69
86280	2.44	.192	.91	1.89

Table 3: Lucky Jim surface assays from Taylor (1980)



Number	Sampler	Date	Type	Width (meters)	Au (oz/ton)	Ag (oz/ton)	Cu %
1	H. Taylor	May '79	chip	1.88	0.058	0.60	1.65
2	"	"	"	2.44	1.298	0.72	0.93
3	"	"	"	2.44	0.042	0.28	0.69
4	"	"	"	2.44	0.003	0.04	0.12
5	"	"	"	2.44	0.192	0.91	1.89
6	W. Taylor	1959	dump	-	0.85	0.73	2.07
7	"	"	chip	1.22	0.07	1.40	3.79
8	"	"	"	3.81	0.17	2.20	5.45
9	"	"	"	3.66	0.03	0.05	0.36
10	G.A. Dirom	1942	"	2.44	0.52	4.00	6.70
11	"	"	dump	-	0.56	1.30	2.00
12	"	"	grab	-	0.04	1.50	0.70
13	"	"	chip	1.22	0.10	2.50	5.40
14	"	"	"	2.72	0.08	1.50	1.70
15	Cominco	1926	drill core	0.18	1.13	0.10	-
16	"	"	"	0.31	0.50	tr	2.80
17	"	"	"	0.31	0.04	0.01	0.92
18	H.A. Oliver	1924	chip	9.14	0.09	0.03	-
19	"	"	"	3.00	0.12	-	3.00
20	"	"	"	1.50	0.75	2.00	4.00

Figure 11. Historical Compilation map at the Lucky Jim prospect. The map is from Taylor, (1980) assessment report 8190. It shows location and orientation of drill holes from the 1927 Cominco drilling, and several sets of sample assays numbered in the table and keyed to the map. Red numbers on the map replicate the original numbered sample labels (enclosed in small circles) which are keyed to the table. Note: analyses 13, 16 and 19 are outside the cropped area. Table retyped by the Author July 2019

Report 08190; Taylor (1980); Dik Claim

The next report for parts of the Property appeared in 1980 as assessment report number 08190 (Taylor, 1980) after a period during which most exploration activity in the province had been discouraged by a significant change in provincial government policies.

Taylor (1989) reported on the DIK and DOK claims in the south-central part of the present Adam West Property, which were staked to in 1979 to cover the Lucky Jim mineral occurrence at the confluence of Camp Creek with the Adam River. The showing was geologically mapped and a ground magnetometer survey was completed in the vicinity. They reported that the mineralized zone was about 2 m wide and could be traced for 57 m along the river bank with a strike of 350° and a dip of 80° west. Recalculating results, the highest grade is 2.44 m at 44.5 g/t Au, 24.7 g/t Ag and 0.93% Cu. They described the mineralized zone as a "*silicified, in places skarny, vein in... limestone of the Quatsino Formation*" near the contact with Karmutsen basalt, and mineralized with assemblages of pyrrhotite, pyrite and chalcopyrite that weather rustily. They suggest that there might be three other veins.

Importantly, the report provides a thorough compilation map (Figure 11) of previous work apparently from an unpublished report by W.J. Weymark P.Eng. in 1968 that shows the location and traces of diamond drill holes and adits, and lists assays both from drilling and surface samples dating back to the Cominco drilling in the 1920s. Sampling cited in the compilation table includes 20 assays (tabulated in Figure 11) from programs in 1924 (H.A. Oliver: 3 samples Au 0.05 to 0.75 oz/ton; Ag 0.03 to 2.0 oz/ton; Cu 3 to 4 %), 1926 (Cominco drill core: 3 samples: Au 0.04 to 1.13 oz/ton; Ag 0.1 to 01.4 oz/ton; Cu 0.92 to 2.8 %), 1942 (G.A. Dirom: 5 samples: Au 0.04 to 0.62 oz/Ton, Ag 1.3 to 4.0 oz/ton; Cu 0.7 to 6.7%), and 1959 (W.M. Taylor, 4 samples: Au 0.03 to 0.85 oz/ton; Ag 0.05 to 2.2 oz/ton; Cu 0.36 to 5.65%) and the 1980 report itself (B. Taylor; assays in Figure 9). Locations and intervals are shown on the compilation map, but the labels in the copy available in assessment report files (Taylor, 1980) were not easily legible and have been annotated by the Author in Figure 11 Only the Taylor (1980) report is publicly available and the Author was not able to confirm the data presented from the older reports.

The magnetometer survey interpretation indicated that the limestone was about 120 m wide east to west in the vicinity of the showing, but that mineralization was only weakly indicated. Perhaps the spacing of magnetometer readings at 15 m stations and 75 m lines was too wide to resolve the narrow feature.

Report 09065; Five M Resources Inc., Sheppard (1981); DIK Claim

Work by the same company as reported in Taylor (1980) continued with a drill program at or near the Lucky Jim showing in December 1980 when 5 BQ diamond drill holes targeted the contact between limestone and Karmutsen volcanics. All holes were drilled from 2 pads on the east side of the river angled steeply to the west. From the map and report it was not clear how the holes related to the showing except that minor mineralization was cut only near surface with the deeper parts of the holes barren. However, the mineralized lens or horizon was postulated to dip steeply west in the Taylor (1980) report, which would not be appropriately tested by west dipping holes unless on a very shallow angle. The best result was 1.4' at 0.35% Cu.

Report 10479; Taylor (1982);

Eloise Taylor (1982) reported on a ground magnetometer survey on the Eloise claim (owned by H.M. Jones) located in the present southeastern corner of the Adam West Property southeast of the Lucky Jim showing. The survey was conducted in an area of Karmutsen Formation basalt ("amygdaloidal andesite" in the report) with notable limestone interflow beds several metres thick. Taylor reported that the history of the claim area included staking in 1966 by the Adam River Syndicate and brief exploration including geochemical surveys by Rio Tinto Canadian and then Emperor Mines Ltd. Rip Van Mining optioned the ground in 1969 and completed trenching, sampling, geochemical surveys and airborne magnetometer surveys and an IP survey. The 1969 work included 15 excavated pits scattered over a 900 m trend that exposed 1-2 m of mineralized "andesite" grading 0.3 to 2% Cu along Lois Creek.

The mineralized zone was interpreted as related either to a flow top or fault controlled zone, and the 1982 work hoped to resolve this through a magnetometer survey. However, the survey proved inconclusive and failed to define any structural trends.

Report 11730; Acadian Gold Ltd., Smitheringale (1983); Eloise

Subsequent work on the Eloise Property was undertaken by Bill Smitheringale for Acadian Gold who had optioned

the Property from J.R Billingsley after he had purchased title from H.M. Jones in 1983. Smitheringale mapped the Property and collected 404 soil samples for analysis of Cu and Zn. Smitheringale (1983) calculated threshold values based on the 97.5% cumulative frequency of concentrations in the samples concluding that anomalous levels were above 155 ppm for copper and 70 ppm for Zn in areas underlain by the Karmutsen basalts. No significant anomalies were identified and Smitheringale (1983) concluded that mineralization responsible for spot anomalies was confined to erratic fractures.

Mineralization occurs as fractures in basalt in pits along Lois Creek (locations georeferenced). Smitheringale (1983) observed thin (1 meter thick) bands of limestone interbedded with Karmutsen Formation volcanic flows that seemed to concentrate the sparse mineralization in amygdules and fractures below the limestone beds. The Karmutsen consisted mainly of amygdaloidal flows with pillowed flows and flow breccias less common. Flows were observed to be several meters thick with contacts marked by abrupt increases on amygdule concentration and to conform to a structurally simple north dipping sequence. Quatsino limestone outcrops in the NE part of the claim and displays karst features including sinkholes.

Report 14284; Craven Resources Inc., Ikona (1985); Adam Claim

The Adam claim was situated in the northern quarter of the Adam West Property on the west side of the Adam River at the north end of the main ridge covering an area of about 3 km². Craven Resources did geological mapping, contour line soil geochemical sampling, and examination and resampling of old drill holes located on the upper part of the ridge west of the Adam River. Mapping revealed minor copper mineralization consisting of disseminated bornite, chalcopyrite, chalcocite and minor native copper in amygdaloidal basalt and at contacts with interbedded limestone. A limestone unit was mapped as an interbed within Karmutsen Formation on the basis of conformable top contacts with overlying pillowed flows, and with its base apparently overlying pillowed and amygdaloidal flows.

The 38 soil samples were analysed for Cu, Ag, and Au and ranged in Cu from 32 ppm to 1032, in Ag from 0.4 to 2.1 ppm and in Au from detection limit of 1 to 54 ppb (with most below 8 ppb). Thirteen rock samples were collected by resampling core from 6 relocated BQ drill holes left by a previous program and 4 from outcrops. The samples were generally selected by observation of chalcopyrite, bornite or chalcocite mineralization and analyses varied from a 129 to 7639 ppm Cu, 0.1 to 3.1 ppm Ag and 1 to 65 ppb Au. Mineralization was commonly observed to consist of bornite associated with epidote and quartz veining or silicification in amygdaloidal basalt.

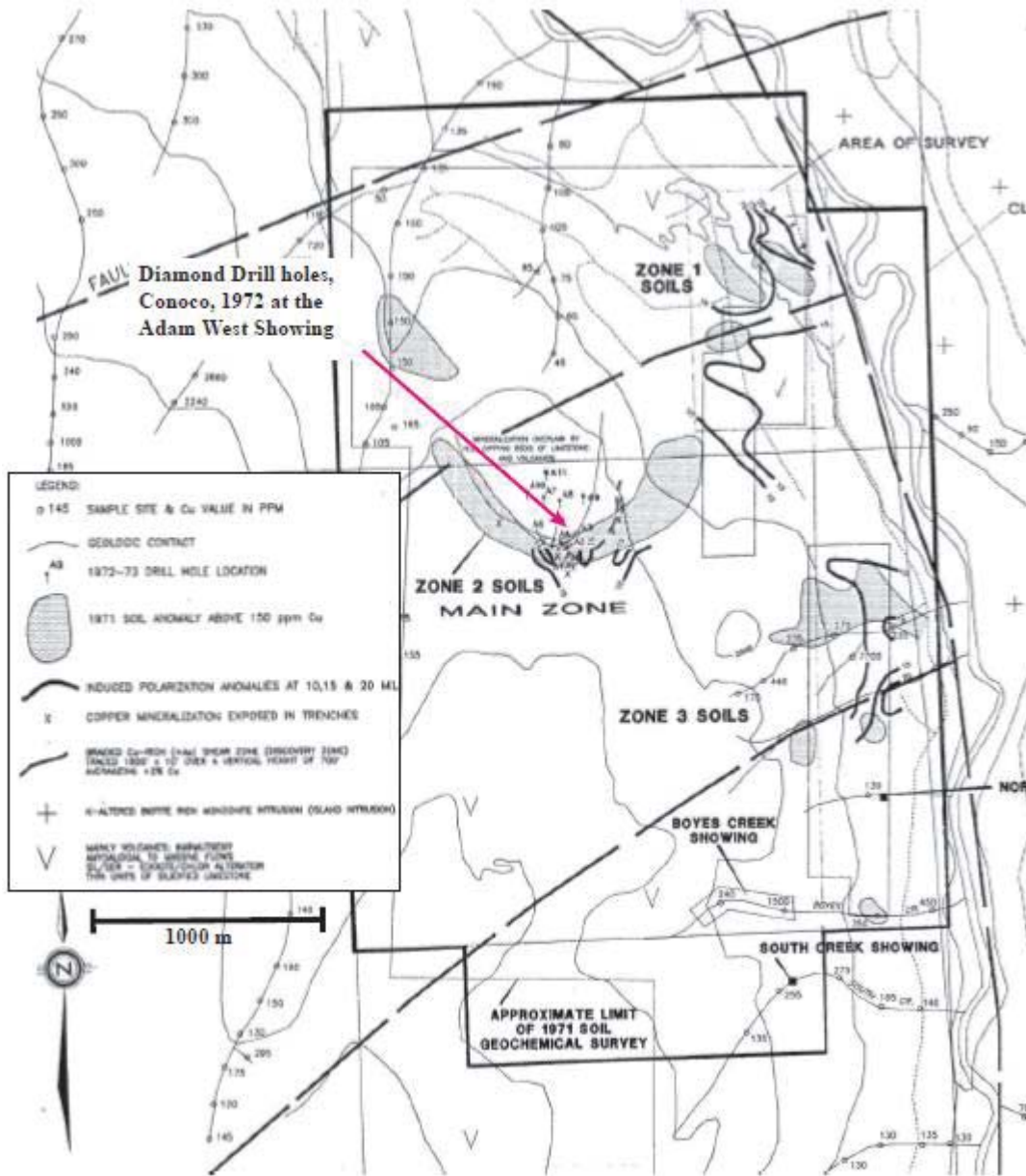


Figure 12. Compilation Map from Leriche (1995) showing soil Geochem, IP and drill collars. Soil anomalies (grey fill) are from Mottershead (1971) and the IP chargeability contours (curved, solid black lines) are from Cochrane (1971). Long-dash black lines are interpreted faults. The location of the Conoco drill holes is indicated by a pink arrow. Map from Leriche (1995) with annotations by the Author.

Report 17449; Henneberry (1987); Lucky Jim

Henneberry (1987) reported on prospecting over the Lucky Jim showing, within what was then the Dave claims, and documented assay results from two topographic levels east of the river. Results included a best result of 1.1 m at 11.2 g/t Au. Henneberry (1987) interpreted the mineralized rock at Lucky Jim as being developed by replacement and in fractures within an "andesitic dyke". On the plateau above the river, seven samples ranged in gold concentration from 0.008 in a weakly mineralized dyke rock to 0.279 oz/ton in a moderately fractured rock with 30% sulphides in siliceous pods. Generally, the mineralized rock consisted of an average of 15% sulphides, mainly pyrite with minor chalcopyrite. On the river side level, outcrops of mineralized rock averaged 2 to 2.5 m in width and ranged in composition from 2 to 10% sulphides with chalcopyrite predominating over pyrite commonly. Assays ranged from 0.008 in fractured dyke rock with 2% sulphides to 0.327 oz/ton gold in heavily fractured dyke rock with 15% sulphides disseminated and in replacement pods located near the collar of the main adit.

Report 17755; Welcome North Mines Ltd., Roberts (1988); Lucky Jim

Roberts (1988) described historical work on the Lucky Jim showing and suggested that most of the holes were drilled down-dip of the mineralization. The description of Lucky Jim is as follows: "*Mineralization consists of pyrite, pyrrhotite, chalcopyrite, lesser sphalerite and rare galena occurring in massive pods and a stockwork like network of fracture fillings and disseminations. On surface the zone has a variable width from 1 meter to 4 m and can be traced continuously along strike for 50 m. The zone is exposed on a cliff face over a vertical distance of 15 m. The zone which is replacement skarn type mineralization localized along the contact between limestone and pyritic feldspar porphyry strikes N 10°W and dips 70 to 80° to the west.*" Prospecting samples from the claims in the vicinity of Lucky Jim included fracture controlled pyrite and chalcopyrite mineralization ranging in assays from 0.01 to 0.66% Cu, 1.6 to 0.4 g/t Ag, and 0.02 to 2.16 g/t Au. The high gold sample was located 500 m from Lucky Jim.

Report 22409; West Pride Industries Ltd., Leriche (1991); Boyes 3

Leriche (1991) reported on a large land position (2000 ha) staked as the Boyes 1 through 5 claims by West Pride Industries Ltd that extended from Highway 19 south for about 6 km on the west side of the river. This area corresponds to the northern half of the Adam West Property west of the river. Leriche (1991) extensively compiled previous work augmented by reconnaissance geology and geochemistry. Core that had been resampled by Craven Resources in 1985 (Ikona, 1985) from the Adam West showing (drilled by Conoco in 1971 Cochrane (1971)) was resampled again with reference to drill logs obtained from Conoco records. They described the Adam West showing as having chalcopyrite, bornite, chalcocite, and native Cu in fractures and disseminations in basalt, with grades varying up to 10' at 2.7% Cu in trenches and 17' at 2.96% Cu in drill holes. Leriche (1991) estimated that the limestone layer at the Adam West showing is about 10 m thick and suggested that it had formed a trap for ascending mineralizing fluids. The sampling at Boyes Creek yielded up to 3.1% Cu.

Report 23906; Lucky Break Gold Inc., Leriche (1995); Adam West to Boyes 3

Leriche (1995) reported on the results of a 6.6 line km magnetometer and VLF survey over an area of anomalous soils 1.2 km NE of the Adam West showing. He defined a north trending VLF conductor at the approximate western contact of the main intrusion. The report includes a map, reproduced as Figure 12, superimposing the Conoco drill holes, and geochemical and IP anomalies.

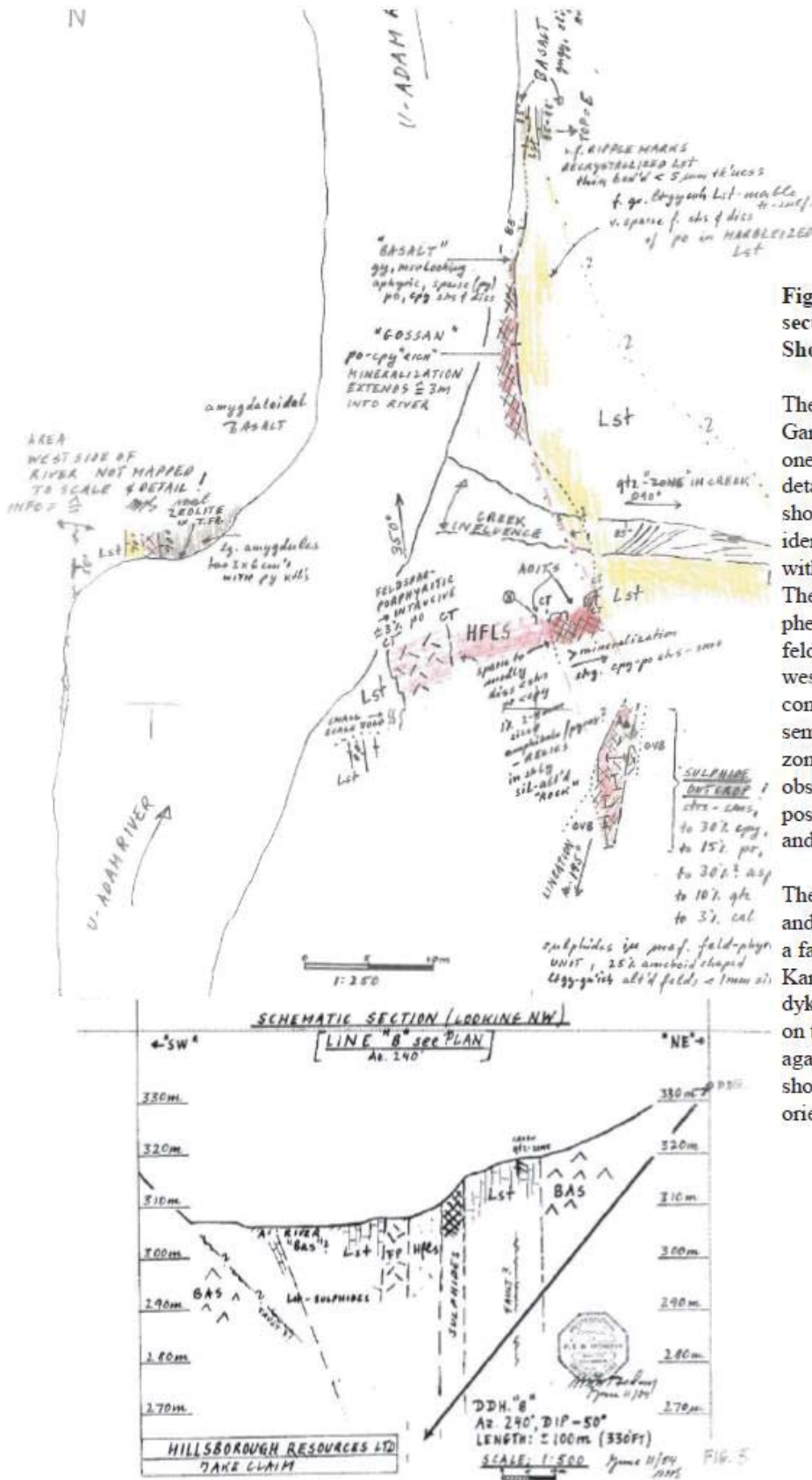


Figure 13: Sketch map and section of the Lucky Jim Showing by Mike Becherer.

The map and section, from Gardner and Becherer (2004), is one of the most geologically detailed maps available for the showing. In the map Becherer identifies a hornfels zone "HFLS" with stringers of cpy less than po. The hornfels has relict mafic phenocrysts, and is adjacent to a feldspar porphyritic dyke on the west and a skarn zone on the east containing po-cpy stringers and semi-massive mineralization. In a zone near the road, Becherer observed up to 30% cpy, 15% po, possible arsenopyrite, 10% quartz and 3% calcite.

The cross-section is looking north and shows the limestone ("Lst") as a fault bounded block within Karmutsen basalt ("BAS"). The dyke ("FP") is altered to hornfels on the right and is mineralized against the limestone. The section shows a proposed drill hole oriented from the NE to SW.

Report 27491; Hillsborough Resources Ltd., Gardner and Becherer (2004); Lucky Jim

Gardner and Becherer (2004) worked on the Lucky Jim showing, remapping it and doing some saw cut channel

sampling. They obtained grab samples with up to 34.2 g/t Au and 5.4% Cu (different samples). The map of the Lucky Jim prospect by Becherer, although a sketch, appears to be precise and highly observant (Figure 13). It delineates a sulphide-rich zone of stringers of chalcopyrite, pyrrhotite, and calcite in a hornblende skarn (into which the adits were driven) enveloped by limestone to the east and a hornfels to the west, with a porphyritic intrusive dyke running along the river separating this from more limestone on the west. The hornfels (labeled "HFLS" on the map) has sparse stringers of chalcopyrite and pyrrhotite with relics of amphibole or pyroxene. Becherer also produced a cross section interpreting the geology of the Lucky Jim occurrence and recommending two drilling orientations.

Report 27745; Schau (2005b); Boyes, George 5

From about 2005 through 2012, Schau, staked much of the ground in the northern half of the Property and filed a series of assessment reports many of which were based on testing different theories on the origin of copper mineralization in the area by analogy with new or evolving deposit models in the field of porphyry copper deposits, IOCGs etc. These are the last reports of work in the area of the Property prior to the present tenure.

Schau (2005b) reported prospecting work on the Klejne 1-2 claim group that included the Boyes and George 5 showings. No new information was reported, but Schau speculated on the presence of a hydrothermal system responsible for the Boyes Creek mineralization and the idea that limestone lenses within the Karmutsen acted as impermeable cap rocks to focus deposition of copper mineralization. He also analysed a few basaltic rocks for Pt and Pd without significant results.

Report 28327; Schau (2006a); Boyes, George 5

Schau had a 5 claim group amounting to 2229 hectares going from the Kringle South showing in the northwest, extending south to the creek draining from Tlowils Lake into the Adam River (Figures 4 and 6), which covers the northern half of the present Adam West Property.

He assayed 56 samples, getting mostly low values on the Property. The best values were at the Kringle Bornite showing of 0.61% Cu, 0.2 g/t Au and 0.49 g/t Au at the Kringle South showing. He also obtained 0.34% Cu and 0.15% Cu from different places in the west part of the Property, and up to 0.18% Cu from the Kringle South showing. He also obtained a sample with 21% Cu near the Linzer showing which is northwest of the Property that is the subject of this Technical Report. The reader is cautioned that mineralization off the Property is not necessarily indicative of mineralization on the Property. Schau measured the magnetic susceptibility of numerous rock samples as part of an investigation into the origin of magnetite in the rocks. Schau analysed 6 samples of the Karmutsen basalt for major, trace and REE elements.

Report 28927; Schau (2007)

Schau describes work in a large area (57 km²), about half of which overlaps the northern half of the Property with the remainder situated to the northwest of the Property that is the subject of this Technical Report. He took a sample of 0.37% Cu and 101 ppb Au and another of 0.14% Cu near the Adam West showing. He did alteration studies, magnetic susceptibility studies and density studies. Schau collected 21 rocks on which he completed whole rock major, trace and REE analyses in order to evaluate a hypothesis that hydrothermal circulation had altered the rocks and deposited mineralization as a result of magmatic hydrothermal activity perhaps in an Iron Ore Copper Gold ("IOCG") or porphyry copper deposit setting. The analyses would be useful in lithochemical assessment of the Karmutsen Formation and the Island Plutonic Suite rocks on the Property.

Report 30121; Schau (2008)

This report discusses alteration in the southern part of Schau's claim group, within the present Property, in the area of the granitoid pluton on the east side of the Adam River. Schau's reason for the work was to investigate the origin of a regional magnetic low over the pluton that might indicate an area of phyllic alteration related to a porphyry system. The work reported entailed magnetic susceptibility and specific gravity measurements on some quartz diorites and gabbros and petrographic descriptions of the measured samples. Schau concluded that there is no hydrothermal alteration related to intrusive rocks that the magnetic low (in the NE of the Property) is the result of physical factors like overburden cover and general low relief compared to the high relief area to the west underlain by Karmutsen basalts. Schau noted the presence of magnetite veins and stringers and suggested that the granodiorite is an I-type intrusion with high magnetite content.

Report 31516; Schau (2010)

This report deals with prospecting and geochemical sampling including of stream silt, hemlock branches, and stream water in the Boyes 3 showing area (Figure 6) within the Property. He obtained a grab sample with 0.12% Cu where he previously obtained 0.61% Cu. He did not obtain useful results from the biogeochemical sample analyses.

Report 32553; Schau (2011)

This report discusses work on a large claim block with a southern boundary near the confluence of the stream draining Flowils Lake and the Adam River (Figure 6) and extending to the northwest beyond the present Property. Schau discussed characteristics of local magnetite veins and mineralized breccias in the context of various deposit types including alkalic porphyry copper deposits, IOCG, and volcanic red bed copper. He also discussed orogen parallel faults followed by transverse faulting. Northwest of the present Property he found samples with up to 6.6 g/t Au and greater than 25% Cu. He presented two maps showing numerous Cu and Au values, but all results are NW of the present Property and the best results are on adjacent properties. The reader is cautioned that the occurrence of mineralization off the Property is not necessarily indicative of mineralization on the Property.

Adam West Property (2018)

The present Property was staked by Richard John Billingsley following the lapse of claims held by Schau.

Geological Setting and Mineralization

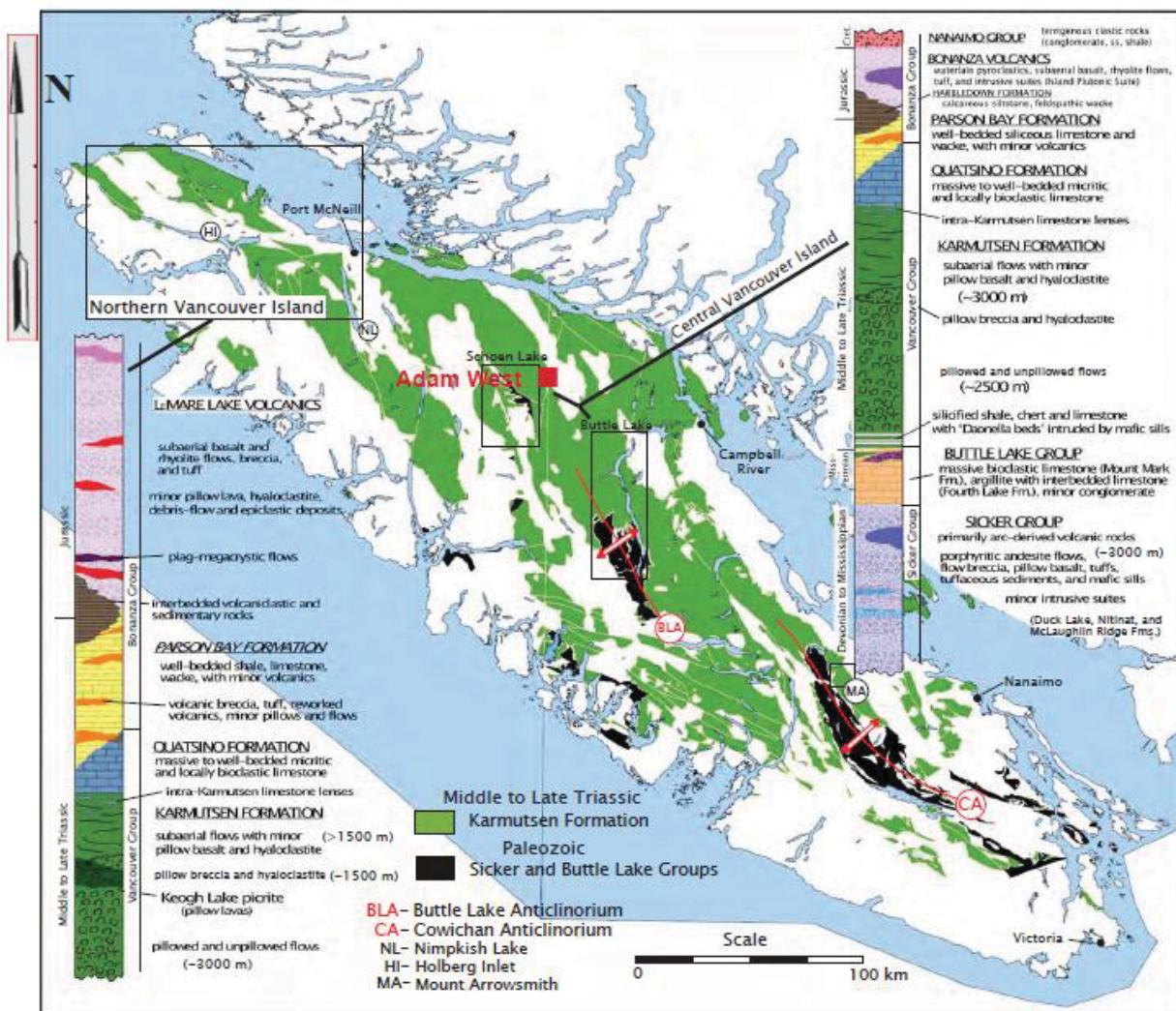


Figure 14. Karmutsen Formation distribution on Vancouver Island. Map highlights the distribution of

Karmutsen Formation (green) and underlying Paleozoic Sicker and Buttle Lake Groups (black). The stratigraphic column for Central Vancouver Island is relevant for the geology of the Adam West Claims (marked in red). The Adam West section is at the upper part of the Karmutsen Formation. Map from Greene et al. (2008).

Regional Geology

Vancouver Island is a significant transect across the southern part of the Mid-Paleozoic to Early Mesozoic Wrangellian tectonostratigraphic terrane that extends northward through the Queen Charlotte Islands into southern Alaska. The stratigraphy of northern Vancouver Island (Figure 14) is founded upon the Triassic tripartite sequence of Karmutsen flood basalts dominating the northeastern side of the island and overlain to the west in series of homoclinal fault blocks by Quatsino limestone, Parson Bay Formation and Bonanza Group, LeMare Lake Volcanics, which are diagnostic of Wrangellia. On Vancouver Island, Wrangellia is intruded to the east by subduction related rocks of the Coast Plutonic Complex and tectonically sliced to the west by accreted terranes overlying an active subduction zone, named the Pacific Rim Terrane and the Westcoast Crystalline Complex (Wheeler and McFeely, 1991).

The Wrangellian terrane on Vancouver Island is essentially composed of two oceanic volcanic arcs separated by voluminous flood basalts that formed an oceanic plateau. The earliest volcanic arc is within the Devonian to Early Permian Sicker Group (Figure 15), which forms the basement of the island geology and is exposed in several fault-bounded tectonic uplifts in the central part of the island (Figure 14). The prolific volcanogenic massive sulphide deposits at Myra Falls at the southern end of Buttle Lake are within several thick felsic volcanic units. The basement uplifts are engulfed by the voluminous flood basalts of the Karmutsen Formation (Figure 14), which are the lower part of the Vancouver Group that dominates the alpine skyline of much of central Vancouver Island with peaks up to 2300 m exposing thousands of meters of basalt flows, pillows and pillow breccias. These basalts formed an oceanic flood basalt plateau generated above a large mantle plume.

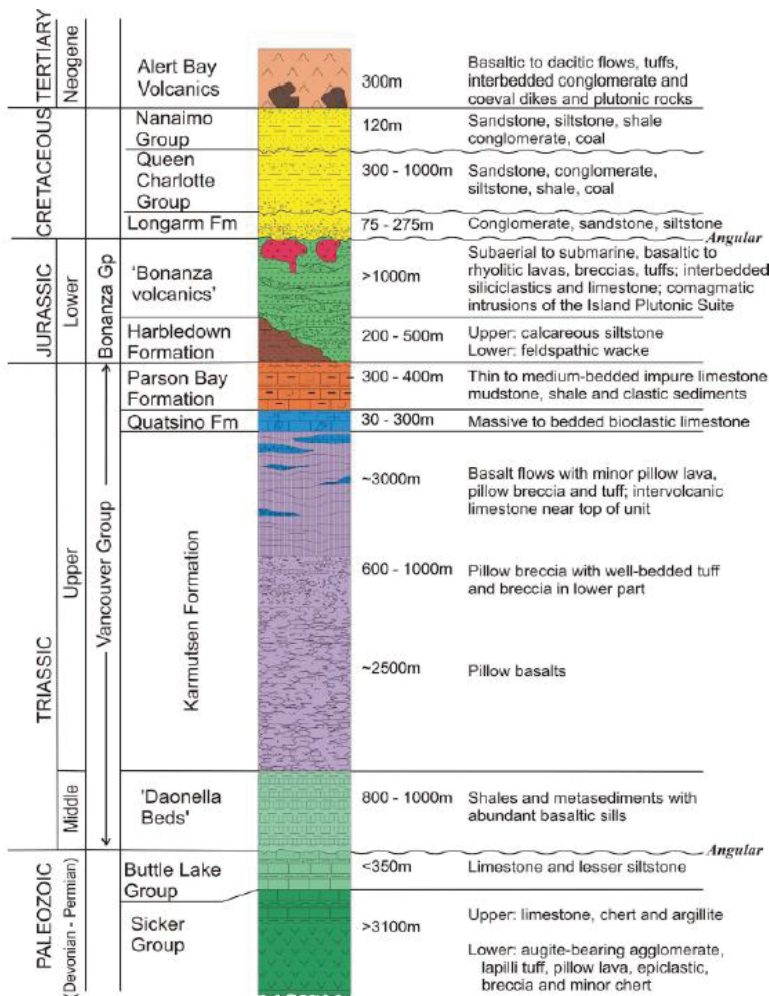


Figure 15. Stratigraphic nomenclature for northern Vancouver Island. Stratigraphy of northern Vancouver Island. Notably, the upper Karmutsen Formation includes intervals of limestone such as those observed within the Adam West Property. The group subdivisions shown here have been revised recently by Nixon & Orr (2007) to include the Parson Bay Formation as the lowest formation in the Bonanza Group.

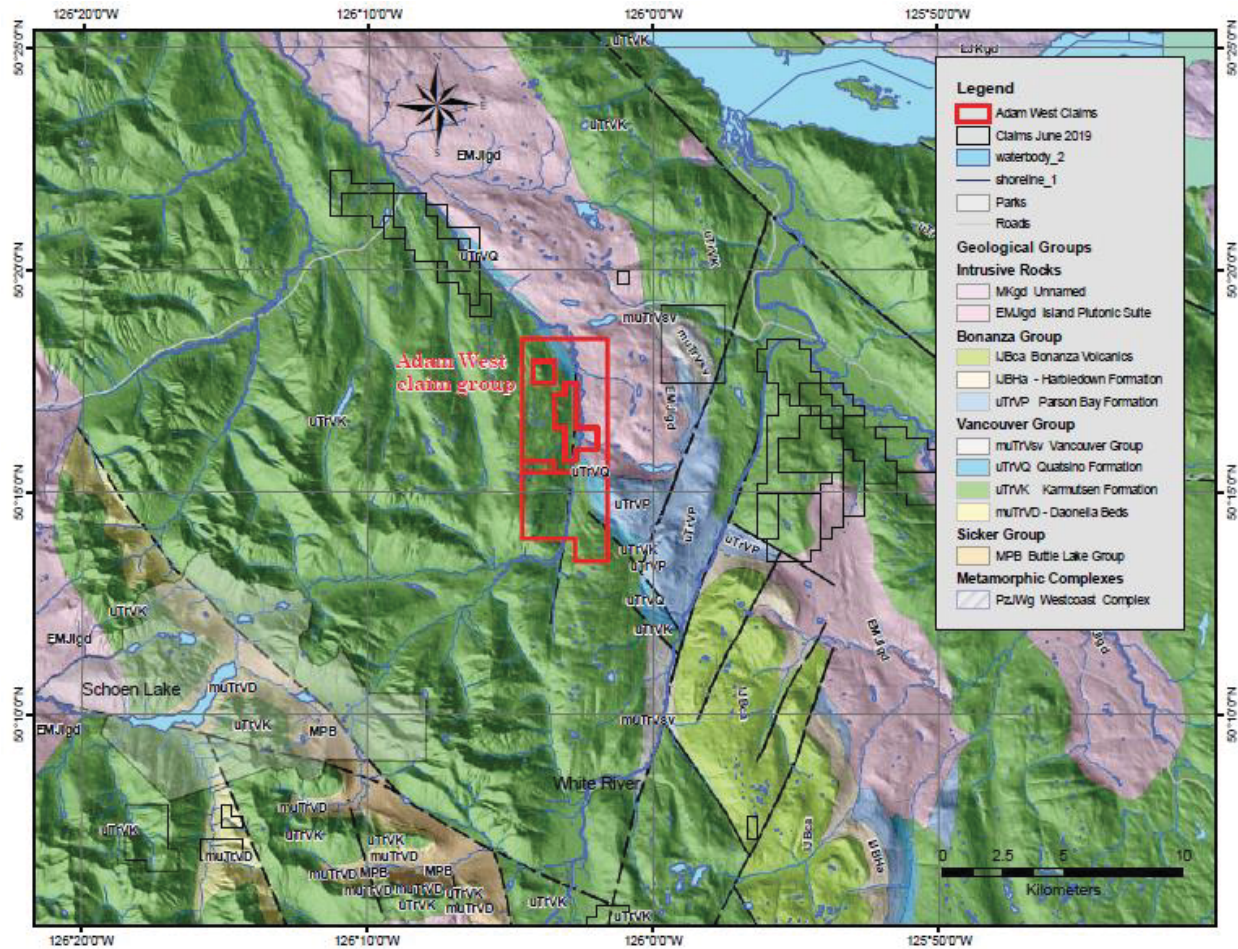


Figure 16. Geological Map of the Adam River Area. Geological units are subdivided on formational basis showing subdivision of a down-dropped block of Bonanza Group to the east of the river. Plutonic rocks of the Jurassic Island Intrusive Suite, in pink, are calc-alkaline in composition and occur in contact with the Quatsino Fm in the claims group. Map drawn in ArcGIS by the Author (June, 2019) using current geological, mineral title and geographic GIS data from the British Columbia Mapplace website.

The Karmutsen Formation is capped by platformal limestones of the Quatsino Formation (Figures 14 and 15) marking the upper part of the Vancouver Group. Above the Vancouver Group, deep water limestones and clastic sedimentary strata, intermixed upward with an increasing component of volcanic tuffs indicate the beginning of the second calc-alkaline volcanic arc in the Wrangellian Terrane. The base of the Bonanza Group is the Parson Bay Formation, a mixed carbonate-clastic-volcanic succession with a significant island-arc volcanic and volcanoclastic affinity that separates it conformably from the earlier limestone strata of the Quatsino Formation (Nixon & Orr, 2007). The preserved volcanic strata of the Bonanza Group Volcanics are found in a fault block a few kilometers southeast of the Property and in north-western Vancouver Island around Quatsino Sound where they are named the LeMare Lake Volcanics. Bonanza Group volcanics are not preserved in the fault blocks in the Property, which are eroded below the volcanic/Parson Bay contact. However, the intrusive equivalents of the Bonanza Group volcanics are extensively distributed throughout the island in the granitoid plutonic rocks of the Island Plutonic Suite. The granitoids intrude rocks of the Karmutsen Formation as well as those of the Bonanza Group and result in both porphyry copper deposits and, where intruding limestones, significant skarn deposits of magnetite and locally copper sulphides. The Bonanza volcanic arc rocks were eroded following a major Jurassic contractional event and the eroded surface covered by clastic sedimentary rocks of the terrigenous Nanaimo Group that includes coal bearing conglomerates in sedimentary basins preserved along the eastern side of Vancouver Island.

The structural deformation history of northern Vancouver Island is complex and embodies Cretaceous transpression followed by Tertiary extension. The present crustal architecture exhibits a dominant northwesterly-trending structural grain manifested by the distribution of major lithostratigraphic units and granitoid plutons (Figures 14 and 16).

Numerous faultbounded blocks of homoclinal, Early Mesozoic strata generally dip to the south-west and west whereas Jura-Cretaceous clastic strata are preserved as isolated, fault bounded remnants of formerly more extensive Cretaceous basins on the north side of Quatsino Sound, the northern end of Vancouver Island (Nixon and Orr, 2007).

Stratigraphic Units of the Adam West District

Karmutsen Formation

The geology of Central Vancouver Island, the region of the Adam West Property, is dominated by outcrops of the Triassic Karmutsen Formation, that form a series of massive and pillowed basalts up to several km thick. The base of the Karmutsen Formation lies on a distinctive, thin bedded black argillite unit, containing Middle Triassic (Ladinian) *Daonella* bivalve fossils, that is informally named the *Daonella* Beds (Figure 15). Thick diabase sills, which intrude the argillite, have the same composition as basalts of the Karmutsen Formation and mark the onset of Karmutsen volcanism. The combined sills and argillites are known as the Sediment Sill Unit of the basal Vancouver Group and occur in fault blocks only 15 km southwest of the Property in Schoen Lake Provincial Park (Figure 16).

The type section for the Karmutsen Formation is preserved in the Buttle and Upper Campbell Lakes on the flanks of the Buttle Lake Anticlinorium ("BLA" in Figure 14), where a total stratigraphic column of about 6 km is measured (Figure 15). The basal units at Buttle Lake are sills that intrude limestone of the Permian Buttle Lake Group, a series of limestones that capped the marine volcanic arc of the Sicker Group (Figure 15). Above these are the basal volcanics of the Karmutsen, which are spectacularly pillowed flows with individual pillows up to 4 m in size viewed in cliff faces on the west shore of Buttle Lake. Many show drainage cavities in the core of the pillows, formed as the crust hardened and cracked allowing molten lava to drain out leaving flat bottomed cavities indicating original, or paleo-horizontal. The cavities in many pillows outcropping along logging roads on Elk Mountain (SW side of Upper Campbell Lake) are filled with comby quartz and calcite and the paleo-horizontal markers indicate tilting to the north. Massive flows alternate with thick sections of pillowed flows and appear to have formed as lateral feeders for pillowed basalt sections. The pillowed flow section measures up to 3 km in thickness.

Above the pillowed flows section is a 1.5 km thick section of coarse pillow breccias and hyaloclastites (Surdam, 1967). Thick and spectacular, well bedded exposures of this unit form cliffs on the upper ridges of Kings Peak in Strathcona Provincial Park southwest of Upper Campbell Lake. The hyaloclastite consists of poorly-sorted blocks of broken pillowed basalt in a finely-comminuted matrix of basaltic glass shards, fragments, and pillow rinds. High-Mg picritic pillow lavas have been identified in the lower part of the Karmutsen Formation (Greene et al., 2006; Nixon et al., 2008) near the transition between the pillowed lavas and the overlying hyaloclastite unit (Nixon et al., 2008).



Figure 17. Ammonites from a sedimentary interflow layer in the Karmutsen Fm. Specimen of Upper Triassic-Jurassic ammonites collected east of Upper Campbell Lake by the Author.

The upper part of the Karmutsen is an emergent sequence up to 2 km thick of subaerial flows that vary in flow thickness, grain size (5 mm), and proportion of amygdules and generally have a well-layered, planar appearance. Rarely, thicker flows show columnar jointing and paleosols (or weathered tops surfaces) are generally absent indicating a rapid succession of flows. However, towards the top of the subaerial section, interflow lenses of sedimentary rocks, mainly limestone increase in frequency. These lenses are commonly associated with pillowed flows and hyaloclastite indicating submergence. Small scale emergent sequences above the limestones consist of pillowed basalt, pillow breccia and hyaloclastite, finally a return to massive flows. Some of the limestone lenses have identical fossil assemblages to those characteristic of the overlying Quatsino limestone and the Author (Figure 17) has collected well-preserved ammonites from a sedimentary lenses east of Upper Campbell Lake. A few subaerial flows

near the top of the Karmutsen Formation contain abundant, aligned plagioclase megacrysts (1-2 cm laths), that distinguish the flows as good stratigraphic marker units (Nixon et al., 2006, 2007).

Quatsino Formation

The Quatsino Formation is dominantly a shallow water marine limestone. The lower part is typically a dark to medium grey, predominantly massive, fetid micritic limestone that weathers pale grey to white where recrystallized to marble. Ammonites have been collected at several localities. The upper most part of the Quatsino Formation is generally composed of thinly laminated to medium or thickly bedded micrite to (rarely) calcarenite sequences that locally contain laminae enriched in bioclastic debris. Normally graded beds are observed locally and attest to deposition by the action of turbidity currents. Transported shell fragments, largely gastropods up to 1 cm across and thin-shelled pelecypods up to several centimetres across (predominantly *Halobia* sp.) occur in both the more massive and the well-bedded horizons but are more common near the top of the unit (Nixon et al. (2006). Locally, the limestone is pervasively silicified or exhibits dark grey chert concretions that developed during diagenesis.

In proximity to large intrusions the Quatsino Formation is extensively recrystallized to a white and pale grey marble with local darker grey and green varieties caused by hydrothermal interaction with crystallizing granitoid bodies. In the vicinity of intrusive contacts, a dark grey and white layering is observed in areas of skarn development along with finely disseminated sulphide minerals and thin (<1 mm) stringers of pyrite (Nixon et al., 2006).

Parson Bay Formation

Parson Bay sedimentary rocks include grey to black, thinly laminated to thickly bedded, impure micritic limestone, mudstone, siltstone, shale, and grey-brown to pale buff, fine to coarse-grained feldspathic sandstone Nixon et al. (2006). Tuffaceous beds are observed locally and may reflect the regional onset of volcanism, the recognition of which prompted Nixon et al. (2006) to reassign the Parson Bay Formation to the Bonanza Group. Volcanogenic rocks, including feldspathic wacke, breccia and rare conglomeratic beds, are a distinctive component of the Parson Bay succession. These deposits are intercalated with typical and locally fossiliferous, Parson Bay strata, and were obviously deposited in the same shallow marine environment. Clastic beds are commonly calcareous and shale beds may be distinctly carbonaceous. Bedding is predominantly planar, and some beds are strongly silicified and pyritic. Finely disseminated diagenetic pyrite, and in places hematite, is widespread. Near intrusive granitoids of the Island Plutonic Suite impure limestone beds are bleached and recrystallized. Most of these strata probably represent a low-energy, shallow-marine environment, although mudstone at one locality exhibits desiccation cracks, which is indicative of intertidal conditions.

Island Plutonic Suite

The volcanic strata of a late Triassic to Jurassic volcanic arc have been largely eroded away, but the intrusive source plutons are well exposed throughout much of Vancouver Island including in the Property area. Specifically, the Adam River pluton occupies the northeastern part of the Property east of the Adam River where it intrudes Parson Bay and Quatsino Fm. The pluton is largely dioritic to granodioritic in composition and medium grained indicative of mesozonal emplacement. The rocks are described by Schau (2006a) as mainly medium to fine grained biotite hornblende granodiorite and quartz diorite with a locally elevated content of mafic minerals. Contact zones in host rocks are commonly homfelsed for short distances and limestones exhibit local skarn development.

Geology of the Adam West Property

Basalts of the Karmutsen Formation dominate the western part of the Property (Figure 16). The basalts are stratigraphically and structurally in contact with a sinuous band of Quatsino limestone and Parson Bay sediments that separates the basalts from a large granodioritic pluton of the Island Plutonic Suite. Where exposed near the intrusion, such as in outcrops along Highway 19, the limestones are strongly recrystallized to grey marble.

The stratigraphic position of the Karmutsen Formation on the Property is within the uppermost subaerially deposited flows of the Karmutsen. This is indicated firstly by the dominantly massive, amygdaloidal basalt flows, and secondly by increasingly evident intervals of limestone occurring within the section such as at the Adam West showing, leading up to a final contact with the Quatsino Formation limestone. The interflow limestone beds are diagnostic of hiatuses in volcanism. At the Adam West showing, the limestone bed conformably overlies amygdaloidal basalt, and in turn is itself overlain conformably by pillowed flows and hyaloclastite, followed by amygdaloidal flows. This sequence indicates a pause in volcanism, subsidence into shallow marine conditions and then a return to volcanism and re-

emergence. Structural deformation includes gentle northerly tilting of the Karmutsen flows and significant down-to-the east block faulting partly along a north-south oriented fault aligned with the Karmutsen - Quatsino Formation contact. The block faulting is probably Cenozoic and represents structural relaxation following a compressive event.

Lithochemistry of the Adam River Basalts

The lithochemistry of the Karmutsen Formation has been the subject of significant research because of its predominance in the Wrangellian Terrane as one of the most voluminous flood basalts on the planet. Research by Greene (2008) and Greene et al. (2008) in the Schoen Lake area, 30 km south of the Adam West area, has documented high MgO and picritic basalt (ultramafic) phases of the tholeiitic basalts, which have been considered prospective for platinum group element deposits.

The volcanic strata in the Adam River area have been assigned to the Triassic Karmutsen Formation by regional mappers from the British Columbia Geological Survey Branch and the Geological Survey of Canada ("GSC"). The strata are relatively little deformed with only a NE tilt of about 15 degrees and are cut by numerous upright faults and dykes. Six whole rock analyses of basalt from the area of the Property were compiled from an assessment report by Schau (2006) and evaluated by comparison to Karmutsen basalts collected by the Author from an area near Stewart Lake at the south end of the White River (Wasteneys, 2019). The Stewart Lake basalts are typical amygdaloidal basalts of the Karmutsen Formation, but generally devoid of the epigenetic copper sulphide mineralization that is a subject of this Report. Stewart Lake is not a part of the Property that is the subject of this Technical Report. Further, the reader is cautioned that mineralization in the Stewart Lake area is not necessarily indicative of mineralization on the Property. The samples collected by Schau (2006) were variously epidote altered and in places hematized and collected from amygdaloidal and pillowed flows. His purpose in analysing the basalts was to discern a pattern of alteration that might be the result of a large hydrothermal mineralizing system that might explain the presence of magnetite veins and magnetite concentrations in the basalts that might reflect an early stage porphyry system such as the early stage magnetite veins at Island Copper (Arancibia and Clark, 1996) or to an Iron Ore Copper Gold (IOCG) system. However, Schau (2006) did not classify the basalts geochemically and much of his work was focused on petrographic study looking for alteration minerals.

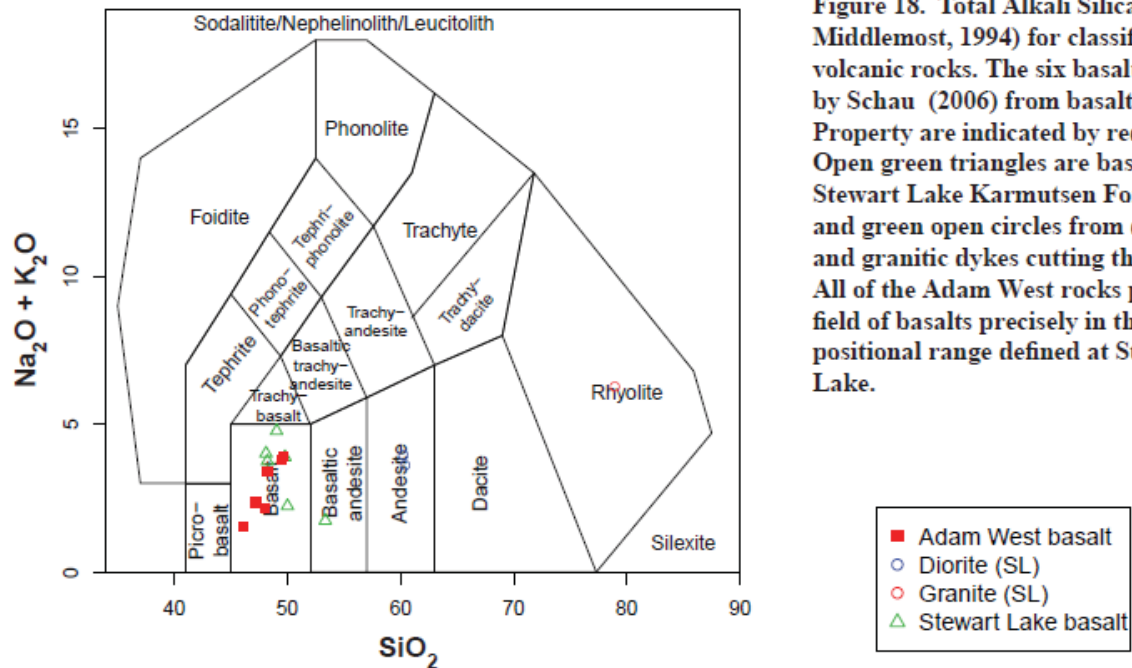


Figure 18. Total Alkali Silica Plot of Middlemost, 1994) for classification of volcanic rocks. The six basalts collected by Schau (2006) from basalts on the Property are indicated by red squares. Open green triangles are basalts from Stewart Lake Karmutsen Formation and green open circles from dioritic and granitic dykes cutting the basalts. All of the Adam West rocks plot in the field of basalts precisely in the compositional range defined at Stewart Lake.

Schau's rocks were analysed at Acme Analytical Labs in Vancouver for major elements using Li-borate fusion and ICP-ES analysis (Acme method 4A) and for trace elements and REEs by Li-Borate fusion and ICP-MS analysis (Acme method 4B). The Author's suite of rocks from Stewart Lake (Wasteneys, 2019) were analysed by comparable methods at ALS Canada Ltd. The Author compiled the analyses from certificates of analysis in Schau (2006) and applied them in GCDkit 4.1 plotting them for comparison with the Karmutsen Formation basalts and crosscutting granitoid dykes from Stewart Lake. The dykes are probably of Jurassic age and related to the Island Intrusive Suite that forms the

pluton in the northeast of the Property. The Adam West and Stewart Lake rocks show little effects of alteration (except one Stewart Lake basalt which is carbonate altered). All of the basalts have typical tholeiitic compositions with low amounts of K₂O and moderate amounts of Na₂O and TiO₂, but have a wide range of MgO from 4.8 to 11.8 %. The two basalts with the highest MgO content are from Adam West, are classified as "High-MgO" basalts because they lie in the 8 to 12 % MgO range and are transitional to ultramafic compositions or "picrites" (Green, 2008).

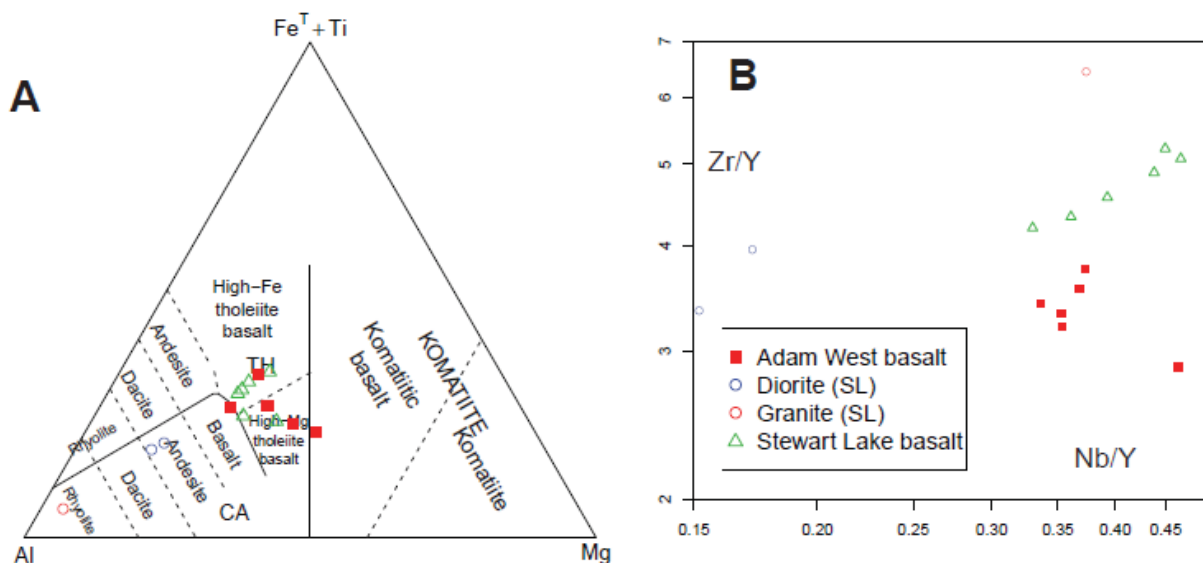


Figure 19. distinctions between the Adam West basalts and the Stewart Lake Karmutsen Fm. A. The Adam West basalts plot (red squares) in the Jenson (1976) cation ternary diagram overlap fields of High-Fe and High-Mg tholeiites in common with the Karmutsen basalts from Stewart Lake (green triangles), but two Adam West basalts are significantly more Mg- rich and one crosses the vertical line into the ultramafic field (komatiitic). B. Nb/Y – Zr/Y binary plot showing separate groupings for the basalts at Stewart Lake and Adam West. The Stewart Lake granite and diorites are plotted for comparison.

The combined set of 15 rocks is classified on a standard total alkali silica (TAS) diagram in Figure 18 (Middlemost, 1994), which subdivides the rocks into basalts and rhyolites. The Adam West and Stewart Lake basalts overlap in the "Basalt" field (with the altered Stewart Lake basalt plotting in the basaltic andesite field). The high MgO basalts can be distinguished from "High-Mg" basalts on the Jenson (1976) ternary diagram Figure 19A, with one Adam West basalt plotting over the line into the field of komatiitic basalts (ultramafics). A distinction between the compositions of the Adam West and Stewart Lake basalts is highlighted on a binary logarithmic plot of Nb/Y vs. Zr/Y in Figure 19B, which shows a similar range of Nb/Y ratios in both, but distinctly lower Zr/Y ratio in the Adam West basalts.

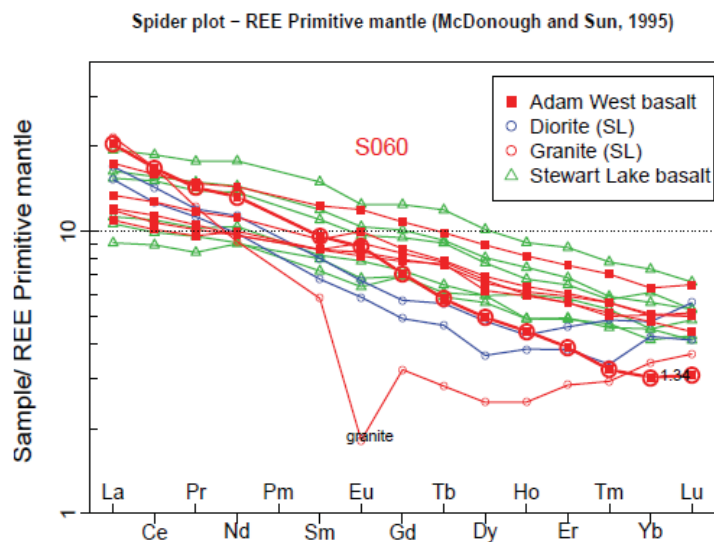


Figure 20. Spider plot normalized by REE primitive mantle concentrations in the Adam West vs Stewart Lake basalts. The diagram plots REE concentrations measured in the rocks normalized by REE concentrations defined by McDonough and Sun (1995) from primitive mantle rocks. Near parallel trends are displayed for the Karmutsen Fm basalts from Adam West and Stewart Lake (symbols in legend). One basalt, S060 is highlighted with a steeper trend. Calc-alkaline diorites and a granite from Stewart Lake are shown for contrast. Plotted by the Author in GCDkit4.1 Janousek et al. (2006)

The similarity of the Adam West and Stewart Lake basalts and their distinction as tholeiitic basalts from the calc-alkaline Stewart Lake diorites is shown further by Rare Earth Element ("REE") spidergrams in Figures 20 and 22. Figure 20 is a Primitive Mantle REE -normalized spidergram (McDonough and Sun, 1995) showing parallel, moderately negative sloping trends of Light REE ("LREE") enrichment vs. Heavy REE (HREE) for the Adam West and Stewart Lake basalts. The pattern is typical of tholeiitic rocks. The diagram uses averaged REE concentrations in primitive mantle rocks determined by McDonough and Sun (1995) to normalize the compositions of the same elements in the samples.

The variation amongst the basalts is the result of either varying degrees of partial melting of the mantle peridotites that formed the source of the Karmutsen Formation oceanic plateau basalts, or, indistinguishably, by crystal fractionation. The increase in absolute REE contents in the melts at constant ratios of LREE to HREE (commonly the Ce/Yb ratios) is because of the incompatible element behaviour of REEs, which concentrate in residual melts as compatible minerals are fractionated away by crystal settling.

For contrast against the tholeiitic patterns shown by the basalts from Stewart Lake it is instructive to look at the pattern for the granite dyke on Figure 20, which shows a markedly steeper LREE to middle-REE (Tb, Dy) depletion trend as a result of LREE enrichment and a slight reversal in the HREEs trend. The granite also displays a typical negative Eu anomaly resulting from the depletion of Eu by plagioclase fractionation in the parental magma because of the anomalous partitioning of Eu into plagioclase at lower pressure condition in the crust. The two dioritic dykes from Stewart Lake show a similar pattern of LREE enrichment relative to primitive mantle and then a leveling off in the HREEs. Granitoid rocks of similar compositions have not yet been documented in the pluton or dykes on the Adam West Property, but analysis of REE patterns in dykes associated with mineralization may be useful in identifying their source especially in skarn environments.

However, one of the Adam West basalts (S060) stands out from the others by having a much steeper negative LREE to HREE trend measured by the normalized La/Yb ratio. This rock Figure 20, is the basalt with the highest MgO content at 11.76% (compared to a range of MgO = 4 to 8.5) that plots as borderline komatiitic basalt in the Jenson cation ternary in Figure 19A. Its steep LREE-HREE trend on Figure 20 is measured as La/Yb = 6.64 whereas the other five Adam West basalts range from La/ Yb = 2.15 to 2.79 as graphically indicated by parallel REE trends in common with the Stewart Lake basalts. The Adam West trends are, however, at slightly lower overall REE concentrations (shown by parallel lower lines) and indicative of higher degrees of partial melting from the peridotitic (spinel lherzolite) mantle plume source. The contrast in origin of the S060 high-Mg basalt is corroborated by the systematics of Zr and phosphorus (as P₂O₅) that display linear trends in igneous fractionation. A binary plot of P₂O₅ vs Zr (Figure 21) reveals that both the Stewart Lake and Adam West basalts share similar fractionation trends, but that the High-Mg basalt (S060) plots significantly off either trend indicating an origin from a different source.

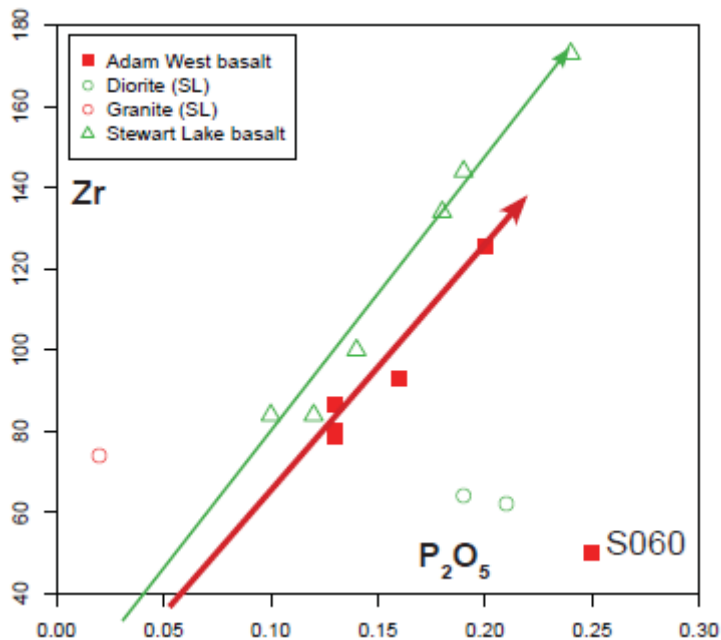


Figure 21. P₂O₅ vs Zr diagram showing igneous fractionation trends. Arrowed lines show trend of fractionation for each of the basalt groups except High-Mg basalt S060.

Although, the origin of the high Mg basalt S060 can be inferred from the steeper LREE to HREE trend on Figure 20 to be different from the other basalts in the Adam West Group, Greene et al. (2009) noted that a similarly steep discrepant REE normalized La/Yb ratio was shown by a mineralized sill from the Schoen Lake area, which he surmised was the result of sediment contamination in the melt. Greene (2006) and Greene et al. (2009) also show that on normalized REE spider diagrams, the high-Mg and picritic lavas from the Karmutsen Formation have distinctly LREE depleted patterns with negative La/Yb slopes compared to the LREE enriched patterns for the tholeiitic basalts. Therefore, the S060 basalt does not share a picritic basalt type origin and it is not clear whether contamination by sediments has affected it.

In addition to REEs, LILE (Large Ion Lithophile Elements Cs, Rb, Ba Th, and U), HFSEs (High Field Strength Elements: Ta, P, Zr, Ti, and Y) that are incompatible in melts show greater contrast amongst the basalts and the three calc-alkaline rocks because of their contrasting behaviours in crystallizing magmas. Figure 22 shows a spider plot using the normalizing data from McDonough and Sun (1985) for primitive mantle for the 15 rocks. The dioritic and granitic dykes from Stewart Lake show the characteristic calc-alkaline depletion patterns of HFSEs and enrichment in LILEs. Figure 22 also shows a scattering of concentrations of LILEs Cs, Rb, Ba, Th and U that may be a result of their mobility in alteration and weathering environments. The variability of the profiles of these elements compared to other samples indicates that weathering or alteration has affected the rocks to differing degrees. The High-Mg basalt, S060, shows highly contrasting behaviour of various elements from enrichment in LILEs (Cs, Th and U) and depletion in some HFSEs (Nb, Ta, Zr) similar to a calc-alkaline pattern, and enrichment in LREEs and depletion in HREEs relative to the other basalts.

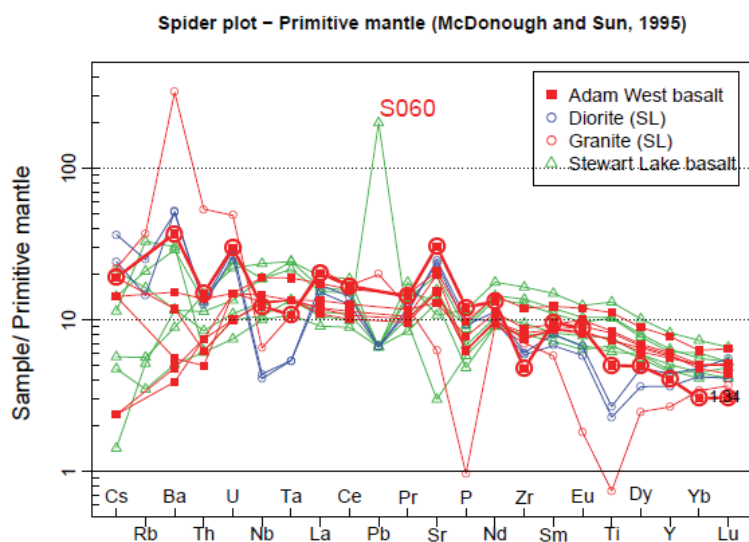


Figure 22. Spider plot of Primitive Mantle normalized elements in Adam West basalts compared to Stewart Lake Karmutsen basalts and Island Plutonic Suite dykes. The diagram shows tholeiitic REE fractionation patterns in the Adam West and Stewart Lake basalts. For contrast, diagnostic calc-alkaline patterns are displayed by the dioritic and granitic dykes indicated by the strong depletion in Nb, Ta, and Ti. Adam West sample S060 is highlighted by circles. Plotted by the Author in GCDkit4.1 Janousek et al. (2006).

The first conclusion from the preceding lithochemical evaluation is that the Adam River basalts are very similar to basalts throughout the region that have been classified as Karmutsen Formation. Greene et al. (2009) have observed that the range of compositions in the Karmutsen Formation basalts is narrow and limited, that variations are not correlated with type of flow or stratigraphic levels in the very thick plateau basalt pile. In some case the range of variation is just as significant between cores and rims of pillows in pillowed basalts or between massive flows and hyaloclastites.

However, although the basalts show a relatively narrow compositional range there are also the High-Mg tholeiitic basalts and the picrites which have been documented by Greene (2006). Significantly, the Adam West basalts' (except for sample S060) compositional range in both major element and REE geochemistry is nearly identical to the Stewart Lake basalts and characteristic of tholeiite geochemistry. Their origin as submarine plateau basalts renders them unlikely hosts for VMS deposits since they are distinct from MORBs (Mid-Ocean Ridge Basalts) that are implicated in Cyprus-type volcanogenic massive sulphide deposits (MORBs typically show LREE depletion patterns on REE spider plots). Another implication of their tholeiitic origin is that the observed high magnetite content is a primary magmatic feature and not a result of hydrothermal alteration, which might be associated with porphyry type deposits. However, in contrast with the Stewart Lake basalts, in which no copper vein deposits have yet been located, the Adam West basalts host numerous high grade copper showings of bornite, chalcopyrite, and chalcocite. The similarity in composition and common origin of the two suites of basalts requires that the copper occurrences are the result of other

factors at play in the Adam West metallogenesis, most likely during metamorphism as documented by Surdam (1967) and Lincoln (1981) and discussed below in Item 8 Deposit types.

Mineralization on the Property

In addition to the observations at various mineralized sites on the Property by The Issuer in and the Author in Item 9 Exploration (below), a common source of information on showings and occurrences in British Columbia are Minfile records created by BCGSB researchers reviewing assessment reports and geological surveys. Minfiles are GIS-based and accessible online through the Mapplace website and by web links available in offline GIS files. There are an unusually high concentration of Minfiles within the Property boundaries. Much of the information in the Minfiles has been previously reviewed in the History section, but they are useful site specific records that augments the historical chronology based on properties and exploration campaigns. Minfiles included below have been edited to reduce the amount of redundant information and in some cases the geographic position has been corrected either as a result of more accurate GPS coordinates available for the described site or to correct mix-ups in names. This is particularly the case for the Lucky Jim showing as it was known for many decades after it was discovered in 1918, but somehow became known as the Cam-Doc showing and the position confused perhaps by an error in description of the position relative to unnamed geographic features. The showings, occurrences and prospects are reviewed in order of their Minfile number, which comprises the NTS mapsheet (092L) and a sequential number arbitrarily resulting from the order in which the showing was established by a reviewer, but usually reflecting the chronology of discovery. Original text from the Minfile listings is italicized. Historical exploration activity may be repeated in some of the descriptions to provide context for the showing.

Unless specifically noted, all of the Minfile showings reviewed below are within the Property.

Minfile Number 092L-165: Boyes Creek

This prospect has been referred to variously as the Boyes 3, Boyes Creek (Figure 6), Tammy, Klejni, and Kringle South. The Boyes 3 occurrence is located along Boyes Creek, an east flowing tributary of the Adam River, at an elevation of approximately 590 m. The deposit type is unclassified by the British Columbia Minfile deposit type system but commodities indicated are copper, silver, and gold.

The occurrence is hosted by amygdaloidal basalt directly below a thin limestone bed contact and is associated with a 280 degree striking, steeply south dipping fault structure in which a sheeted or braided zone of stringers, lenses and disseminations of chalcopyrite and bornite, minor chalcocite and native copper occurs. Fault-offsets and weak chlorite-epidote alteration occur.

In 1969, the occurrence was explored by 13 trenches over a strike length of 305 m, ranging from 0.3 to 4.6 m in width. On the western- most section, 7 channel samples over 116 m averaged 3.9 % copper over an average width of 1.2 m. Associated silver and gold values are low, with maximum values of 18.66 g/t and 0.62 g/t respectively, but averaging much lower (Assessment Report 1993).

Minfile Number 092L-166: George 5

The prospect is variously named George 5, South Creek, Tammy, Boyes 1-5, Klejni, and Kringle South. The George 5 (South Creek) occurrence is located west of the Adam River at an elevation of approximately 530 m and is shown on Figure 6. Commodities are classified as copper, gold and silver. The area is "*1 km west of Jurassic Island Intrusions granodiorite. Locally, chalcopyrite with pyrite is present over 3.6 m. This mineralization occurs in a pod of calcite-epidote breccia in basalt. In 1969, a sample over 1.5 m assayed 0.9 % copper, 0.6 g/t gold and 6.2 g/t silver*" (Sharp, 1969).

Minfile Number 092L-167: George 1

The showing has been variously named George, North Creek, Boyes, Adam, and most recently, Kringle South by Schau 2007. The George 1 (North Creek) occurrence is located west of the Adam River at an elevation of approximately 380 m. Its coordinates are UTM zone 9, NAD 83, Northing 5574982 and Easting 710267. The commodity is listed as copper and it is classified by the British Columbia system of deposit types as Type D03: Volcanic redbed Cu.

The showing "is underlain by volcanic rocks and minor sediments of the Upper Triassic Vancouver Group and crystalline rocks of the Jurassic Island Intrusions. Locally, massive and amygdaloidal basalts are faulted and exhibit quartz, epidote, calcite and chlorite alteration. Chalcocopyrite and bornite mineralization occurs as veinlets, small lenses and as disseminations. Chalcocite may be present. In 1969, a visual estimate of 4 trenches averages 0.25 % copper over a width of 1.6 m".

Minfile Number 092L-168: Kevin 25

"The showing is variously named Kevin 25 (as indicated on Figure 6), M28, M29, E 2, Tammy, Boyes, Kringle South It is located in UTM zone 9 (NAD 83) at Northing 5572974 and Easting 711100. The Kevin (E-2) occurrence is located the north side of a west flowing tributary of the Adam River, approximately 4.6 km south of Keta Lake. It is classified as a copper skarn.

The area lies at the contact of Jurassic Island Plutonic Suite granodiorite and an assemblage of limy basaltic tuff and limestone of the Upper Triassic Parson Bay Formation (Vancouver Group). Contact metamorphism of sediments is evident from re-crystallization of limestone and carbonate alteration of volcanic rocks. Upper Triassic Karmutsen Formation basalts lie west of Adam River. Locally, minor chalcocopyrite occurs in quartz impregnations and veinlets."

Minfile Number 092L-169: Keta

The showing is variously named Keta (Figure 6), E 1, Dennis 22, Bruce 20, and Kringle South The Keta (E-1) occurrence is located on an west flowing tributary of the Adam River, approximately 1.6 km south of Keta Lake at coordinates in UTM zone 9 (NAD 83) Northing 5575880 and Easting 711084.

The area is underlain by strongly sheared and fractured hornblende diorite and migmatized volcanic rocks, at the western contact of the Adam batholith of the Jurassic Island Plutonic Suite with Upper Triassic Vancouver Group Karmutsen Formation volcanic rocks. Conspicuous epidote and potassium feldspar alteration are present, minor chloritic alteration also occurs. Locally, minor chalcocopyrite is present in fractures.

Minfile Number 092L-180: Lucky Jim

The showing is variously named CAM - DOC, DIK, DOK, DAVE, M, JAKE and Lucky Jim. The Lucky Jim showing is located on the east side of the Adam River, approximately 2.5 km west- south west of Flowils Lake (Figure 6). Minfile records incorrectly placed it 2.5 km to the north where it is principally assigned the name Cam-Doc. It is classified as a Cu skarn with main commodities being copper, silver, and gold. Cam-Doc West, below at 092L-222 is also misplaced on Minfile records and records describe the main Lucky Jim showing.

It was originally known as the Lucky Jim showing when it was discovered in 1918. The area is underlain by Upper Triassic Vancouver Group, Quatsino Formation limestone that overlies Karmutsen Formation andesitic flows and tuffs. The limestone is intruded by a dacite porphyry dike that is chlorite altered and heavily oxidized. Weak bleaching of the limestone occurs up to 1 m from the dike. Locally, skarn-like siliceous replacement zones of limestone adjacent to the contact with a pyritic dacitic feldspar porphyry dike is mineralized with pyrite, pyrrhotite, chalcocopyrite, lesser sphalerite and rare galena. The sulphides occur as massive pods and stockwork like networks of fracture fillings and disseminations.

1) The River Level zone strikes 350 degrees and dips 80 degrees west. It has been traced for 57 m with an average width of 2 m and was explored by two short adits before the 1950's. One adit follows the footwall for about 5 m, the other (shorter one) crosscuts the 2 to 2.5 meter wide zone. The zone averages 5 % pyrite, 0.5 to 2.5 % chalcocopyrite and variable amounts of pyrrhotite. In 1979, four samples taken over a width of 2.3 m from the main zone averaged 1.27 % copper, 17.77 g/t silver and 11.85 g/t gold (Taylor, 1980). In 1988, samples assayed from 0.27 to 11.2 g/t gold (Henneberry, 1987). Later the same year, an average grade of the zone was reported as 7.55 g/t gold, 34.3 g/t silver and 2 % copper across an average width of 2.1 m (Roberts, 1988).

2) The Plateau Level zone has been traced intermittently for 30 m and is 0.45 to 1 meter wide. This zone averages 10 % pyrite and only minor chalcocopyrite. In 1987, sampling yielded values ranging from 0.27 to 9.5 g/t gold (Henneberry, 1987).

In 1919, Cominco completed a program of surface trenching and 21 m of drifting on the area. In 1926 and 1927, six diamond drill holes were completed. In 1980, Five M Resources completed a program of soil sampling, geological mapping, a magnetometer survey and five diamond drilling, totalling 450 m of BQ wire line core.

Minfile Number 092L-222: Adam West

The showing is variously named Adam West, Boyes 1-5, Kringle South . Its location is shown on Figure 6. The prospect is classified as a showing is classified as Type D03:Volcanic redbed Cu with main commodities copper, silver, and gold. The Adam West occurrence is located on a north south trending ridge, south west of the Adam River and approximately 3 km south west of Keta Lake.

Locally, an east- west trending mineralized zone occur in volcanic rocks is stratigraphically below a 12 m thick limestone unit and has a strike length in excess of 450 m, as identified by trenching. The zone has been partially tested by drilling over a 150 m strike length and for 200 m down dip. Mineralization consists of chalcopyrite and bornite with minor chalcocite and native copper. The copper minerals are found replacing amygdules in the amygdaloidal lavas as well as along fractures lacking any alteration aureoles.

Drilling in 1972 returned assays that included 0.84 % copper over 23.5 m (GCNL # 95, 1973). Other intercepts returned up to 2.11 % copper over 4.5 m (Hole A-6; Assessment Report 22409).

In 1984, a sample taken from old drill core assayed 0.5729 % copper, 1.4 g/t silver and 0.016 g/t gold (Sample 18705, Ikona, 1985). The same year a sample (18703) of mineralized outcrop assayed 0.764 % copper and 3.1 g/t silver (Ikona, 1985). In 1991, select grab samples yielded up to 4.59 % copper (Leriche, 1991).

Minfile Number 092L-224: Eloise

The ELOISE showing is located in the southeastern section of the Property on the east side of the Adam River (Figure 6). A deposit classification was not assigned by the Minfile writer, but is consistent with E02: Volcanic Redbed. It was most definitively explored by Smitheringale (1983) who concluded that mineralization was erratically distributed in fracture and amygdules in Karmutsen basalts underlying thin limestone lenses.

The Eloise occurrence is located in the head waters of Lois Creek, approximately 1.2 km east of the Adam River. Mineralization at the Eloise occurrence consists of chalcopyrite, bornite, hematite and pyrite as fine disseminations or localized in small fractures, veinlets or lenses in amygdaloidal basalt of the Karmutsen Formation. The attitudes of the mineralized fractures vary. One set, striking 110 degrees and dipping 30 degrees east, is thought to be parallel to flow contacts in the basalt. A minor intercalated limestone band, averaging 1.0 m in thickness, reportedly controls localized mineralization (Assessment Report 11730; Smitheringale, 1983). In 1969, fifteen test pits were dug along a 900 m strike length, across mineralization which averaged between 1 and 2 m. Assay results ranged from 0.3 to 2.0 % copper (Assessment Report 10479; Taylor, 1969).

Minfile Number 092L-402: Lucky Jim (Cam-Doc West)

The Minfile location for the Cam-Doc West is incorrect and the showing as described is actually the same as Lucky Jim on the east side of the river (Figure 6). The occurrence is located on the west side of the Adam River, approximately 2.8 km west-southwest of Tlowils Lake at (corrected) coordinates 5570730 North by 710559 East. The Minfile record states that "*the area is underlain by Upper Triassic Quatsino Formation (Vancouver Group) limestone, which overlies Karmutsen Formation andesitic flows and tuffs. The limestone is intruded by a dacite porphyry dike that is chlorite altered and heavily oxidized.*" However, the limestone at the site appears to be sandwiched between Karmutsen basalts along a N-S striking normal fault coincident with the Adam River and so is more likely to be a lens of limestone within the Karmutsen Formation unless the fault structure forms a graben.

The mineralized skarn system is described as "*Weak bleaching of the limestone occurs up to 1 meter from the dike. Locally, skarn-like siliceous replacement zones of limestone adjacent to the contact with a pyritic-dacitic feldspar-porphyry dike that is mineralized with pyrite, pyrrhotite, chalcopyrite, lesser sphalerite and rare galena. The sulphides occur as massive pods and stockwork-like networks of fracture fillings and disseminations. In 1942, a chip sample (No.14) assayed 2.7 g/t gold, 51.5 g/t silver and 1.7 % copper over 2.74 m. Another chip sample (No.13), taken from a short adit located a few hundred m to the north, assayed 3.4 g/t gold, 85.8 g/t silver and 5.4 % copper over 1.22 m (Assessment Report 8190). In 1988, sampling of the area yielded up to 0.66 % copper, 13.7 g/t silver and 2.16 g/t gold (sample 17704; Assessment Report 17755).*"

Minfile Number 092L-403: Kringle Bornite

The Kringle Bornite occurrence is located near a logging road junction, west of the Adam River and approximately 3.4 km west-northwest of the Tlowils Lake and is within the Property, but not labelled on Figure 6. The showing was discovered in 2006 but the area has been historically explored in conjunction with the Boyes 3 (MINFILE 092L 165) occurrence. Locally, mineralized quartz veins with epidote and calcite cut massive beds of an aphanitic basalt. Mineralization consists of bornite and pyrite. In 2006, a sample (KL040T) assayed 0.613% copper, 4.8 g/t silver and 0.216 g/t gold (Assessment Report 28327). In 2006 through 2012, M. Schau prospected the area as part of the Kringle South Property.

Minfile Number 092L-404: Kringle South

The Kringle South occurrence (Figure 6) is located on north east facing slopes over-looking the Adam River to the north east and approximately 2.1 km southwest of Keta Lake at 5576620 North by 709137 East (NAD 83 UTM Zone 9). The occurrence was discovered in 2006. The area has been previously explored in conjunction with the Adam West (MINFILE 092L 222) occurrence. Locally, steep, north trending chlorite veins and smaller, more complex veins of feldspar, quartz and epidote are hosted in gabbro. In 2006, sampling yielded values up to 0.49 g/t gold, 3.1 g/t silver and 0.167 % copper (Schau, 2006a).

Deposit Types

The mineral occurrences and showings of the Property can be subdivided, in the Author's opinion, into two types of mineral deposits: the Lucky Jim occurrence is characterized by gold-enriched sulphide mineralization forming a replacement lens in proximity to limestones and intrusive granitoids whereas Boyes Creek and Adam West exemplify copper-rich sulphide deposited in cavities, both structurally created and as fluid pockets in flows. Lucky Jim is readily classified as a skarn type deposit. The Boyes Creek and Adam West occurrences appear to be the result of late stage low-grade metamorphogenic remobilization of copper and silver within a thick mafic volcanic pile and redeposition of the metals at higher stratigraphic/structural levels where the metals became less stable.

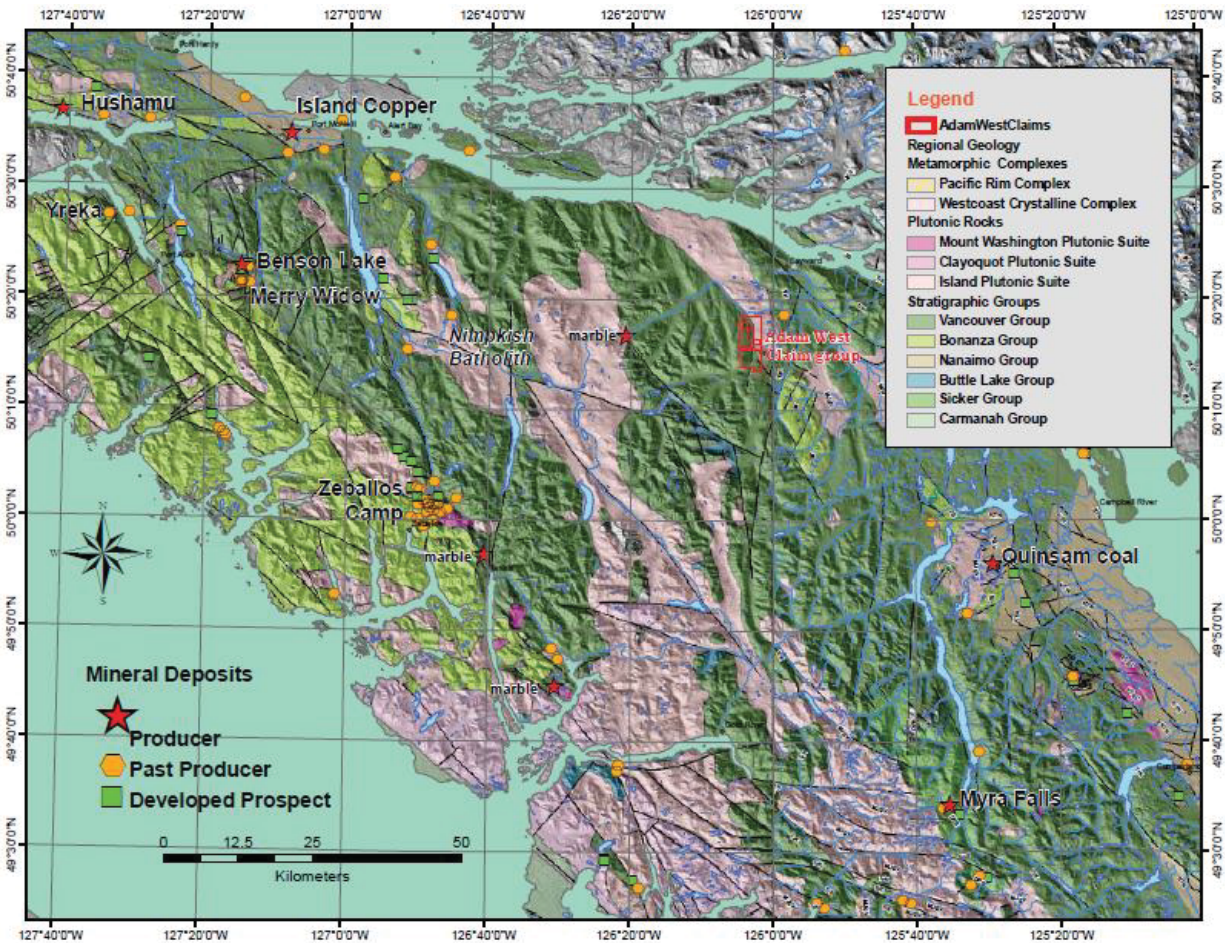


Figure 23. Regional geology and ore deposits of northern Vancouver Island. Island Copper and Hushamu are porphyry copper deposits associated with the Jurassic Island Intrusive Suite. Merry Widow, Benson Lake and Yreka are skarns also associated with the Island Intrusives. A cluster of mineral occurrences 50 km west of the Adam West Property around the Nimpkish Batholith includes many skarns hosted by Quatsino limestone and Parsons Bay Formation (Bonanza Group: pale green) near the margins of the Island Plutonic Suite (pink). The Zeballos Camp is mainly epithermal precious metal deposits. Myra Falls is volcanogenic massive sulphide deposit hosted by Paleozoic Sicker Group island arc volcanics. Other currently producing deposits are either coal or building stone quarries. Base map from British Columbia Geological Survey GIS files on the Mapplace website, drawn by the Author in ArcGIS, June, 2019.

Regionally, Northern Vancouver island (Figure 23) is home to a number of significant mineral occurrences in the magmatic hydrothermal clan of deposits including: Cu-Mo-Au porphyries and high sulphidation epithermal occurrences in the Port Hardy porphyry copper area; a number of skarn Cu-(Fe) occurrences at Yreka, Nimpkish Lake, and Benson Lake (Merry Widow camp); and epithermal Au-quartz and Cu-Ag vein mineralization in the Zeballos district.

The most significant deposit in the region is the Island Copper mine (MINFILE 092L 158) which that produced from 1971 to 1995, the mine produced over 1.2 billion kilograms of copper, 31.4 million kilograms of molybdenum, 33,591 kilograms of gold, 345,535 kilograms of silver and 27,000 kilograms of rhenium from about 361 million tonnes of ore from 1971 to 1995. Other porphyry copper deposits in the Port Hardy area include advanced stage exploration projects such as Hushamu (Figure 23) with reserves of 173 Mt grading 0.27% copper, 0.009 % Mo and 0.34 g/t Au and the Red Dog, with 25 Mt of reserves. These porphyry deposits are associated with granodiorite and quartz diorite of the Island Plutonic Suite, which has intruded volcanics of the contemporaneous Bonanza Group.

Magnetite skarn and copper skarn commonly occur at the contact between Quatsino limestone and Jurassic granodiorite and can be of significant size. The Merry Widow (092L 044), and associated deposits produced over 1.7 billion kilograms of iron in the 1950s and 1960s. The nearby Old Sport (092L 035) mine produced 488 million

kilograms of iron, 41 million kilograms of copper and almost 4 million grams of gold and 12 million grams of silver. The Iron Crown iron skarn deposit (0921 034) near Nimpkish Lake produced almost 1.3 billion kilograms of iron in the late 1950s and early 1960s. Smaller deposits such as Yreka (Port Alice) consisted predominantly of a chalcopyrite-pyrrhotite assemblage replacing limy tuffs in the Parsons Bay Formation.

These deposits are not necessarily indicative of the mineralization on the Adam West Property, but are examples illustrating favourable regional metallogeny related to the Jurassic intrusive suite.

The Lucky Jim is dissimilar to the majority of the skarns in being more iron sulphide - enriched rather than having magnetite as a major component (although this might be similar to Yreka) and being relatively gold-enriched. Alteration phases typically characterizing proximity to skarn metal deposits have not yet been documented at Lucky Jim, possibly the consequence of a lack of exposure.

The Boyes Creek and Adam West occurrences conform to the characteristics commonly observed in parts of the upper Karmutsen Formation of high oxygen fugacity, low-temperature copper rich assemblages including chalcocite-bornite and native copper. Vein fill gangue associated with these occurrences is typically epidote and quartz and alteration is commonly confined to epidote commonly forming large epidosite masses in basalts. The origin of these deposits has been attributed to remobilization during low grade prehnite-pumpellyite facies metamorphism from large volumes of subaerially deposited basalt (the Menzies member of the Karmutsen Formation after Surdam, 1968) in which primary magmatic magnetite has been altered by deuteric process to hematite (Lincoln, 1981). Redeposition is postulated to have occurred higher in the volcanic pile resulting from redox reactions with magnetite that had not been deuterically oxidized to hematite (Surdam, 1968; Lincoln, 1981). Generally, this results in only small scale, but often high grade enrichments of copper in veins, fracture fills and amygdules in the rocks forming uneconomic deposits.

Examples have been observed by the Author not only elsewhere in the Karmutsen Formation of Vancouver Island (Wasteneys, 2009) but also in the Hazelton Group rocks of the Terrace area (Wasteneys, 2013, 2016) and east of the Hotailuh Batholith near Dease Lake (Wasteneys, 2014). However, similar ore depositional processes are attributed to the formation of significant native copper and associated bornite - chalcocite deposits in the White Pine District on the Keweenaw Peninsula of Michigan (Brown, 2006), the Sustut deposit in northern British Columbia, and the Virginilia District of West Virginia (Kish and Stein, 1989). The widespread bornite-chalcocite-epidote veins of the Property are interpreted as being indicative of deposition during late stages of low grade metamorphism associated with epidote formation.

Similar geochemical conditions have been documented in many districts where chalcocite-bornite veins are associated with the epidote to pumpellyite transition of low grade metamorphism including the Keweenawan district of Michigan (Brown, 2006), the Virgilina District of North Carolina (Kish and Stein, 1989), or the Karmutsen formation of Vancouver Island (Surdam, 1968). The economic deposits of sediment hosted disseminated sulphides at the White Pine deposit and native copper lodes in basalts in the Keewenaw Peninsula formed as a result of large scale fluid movement through a huge continental rift basin interacting with metamorphic dehydration fluids that leached copper (Brown, 2006) (Figure 24).

In general mobilization of copper from basalt in which it is relatively concentrated, required oxidation of the copper to a soluble species and transport by meteoric or metamorphic fluids through permeable conduits, such as occurs in red-bed copper and uranium deposits and deposition by a progressive reduction mechanism of the transporting fluid. In a basalt pile the transition from epidote subfacies to the retrograde pumpellyite facies results from the rehydration of epidote by loss of fluids to the rock and consequently oversaturation of copper and the corresponding divide between chalcocite-bornite in the epidote-rich rocks and native copper deposition with pumpellyite (Figure 23). In the Keweenaw peninsula native copper is the predominant copper mineral in basalts of the Portage Lake basalts, while less notably spectacular, but, non-intuitively, more economic chalcocite-bornite deposits occur in the overlying Nonesuch Shale where the copper fluids are thought to have reacted with, and replaced pyrite with chalcocite and bornite by redox reactions.

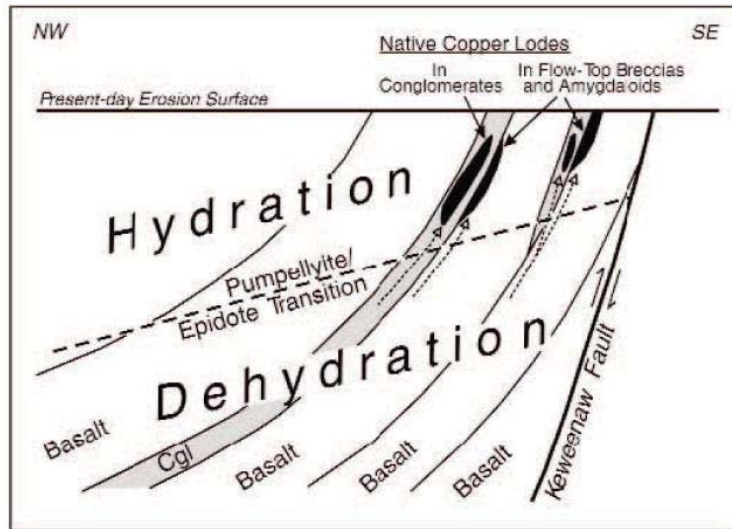


Figure 24. Native copper lodes in Keweenaw Peninsula (Brown, 2006).

In contrast, the much smaller scale bornite-chalcocite lode deposits in the Virgilina district are considered to have formed from leaching of copper from surprisingly small volumes of metavolcanics proximal to the deposits (Kish and Stein, 1989). In the Karmutsen, Surdam (1968) showed that native copper, ubiquitously associated with amygdular prehnite, was deposited in deuterically oxidized basalt flows during low-grade metamorphism. His model, based on textural and mineralogical observations, suggested that amygdular copper was derived from the rock immediately adjacent to the amygdule, and thus implying that little or no large scale redistribution of copper had occurred. This is on an even smaller scale than that postulated by Kish and Stein (1989) for some minable lenses of copper sulphides in the Virgilina district. However, Lincoln (1981) showed that distribution of copper in unweathered flows of the upper Karmutsen along Butte Lake and Johnstone Strait varied bimodally with much lesser or greater concentrations of copper than in underlying subaqueously deposited sections of the Karmutsen, which average about 175 ppm. This suggested that redistribution had in fact occurred on a broad scale.

In British Columbia the well-known Sustut copper deposit, which has resource (uneconomic) of 8.5 Mt of 1.65% Cu (Wilton, 1978), formed by fracture filling copper minerals associated with epidote, calcite and quartz. The deposit is in the upper section of a pile of volcanoclastics metamorphosed under prehnite-pumpellyite facies conditions and is zoned outward, with sequentially arranged copper rich assemblages from native copper, chalcocite, bornite, chalcopyrite through pyrite in veinlets, fracture fills and open space cementing volcanic breccias (Wilton, 1978). In common with the Adam River area of the Karmutsen the copper concentrations are associated with prehnite-pumpellyite grade metamorphism in the upper part of a volcanic pile.

The Adam River chalcocite-bornite deposits at Adam West and Boyes Creek can thus be interpreted in light of the mechanisms proposed by Surdam (1968) and Lincoln (1981) for metamorphic redistribution of copper in the Karmutsen Formation. The similarity of mineral assemblages to those in large deposits at White Pine (Brown, 2006) and Sustut (Wilton, 1978) suggest that metamorphogenic, low temperature remobilization can result in significant copper deposits if the right physico-chemical structures exist. At Adam West, previous exploration has observed that copper mineralization as bornite, chalcocite and chalcopyrite is mainly prevalent below a 15 m thick lens of limestone that appears to be conformable within the volcanic flows. This has been postulated to form an impermeable barrier trapping mineralizing fluids, but in the Author's opinion it may have more of a chemical effect raising the pH of fluids resulting in precipitation reactions or decreased solubility.

Exploration

Introduction

Three exploration programs were conducted on the Adam West Property on behalf of and for the Issuer between December of 2018 and May of 2019. In December 2018 an IP survey along a single 3.5 km test line was completed by Peter E. Alcott and Associates Limited ("Alcott") for The Issuer. Coincidentally, a brief Property examination was undertaken by Drs. T.N. Setterfield and D. Lefebvre who sampled a few known showings. In April of 2019, field

geological and geochemical surveys were completed by Dr. T.N. Setterfield. The work consisted of mapping, prospecting, rock sampling, and a limited soil geochemical survey around one prospect. In June 2019 an airborne magnetometer survey was completed over the whole of the Property by Alcott and contour maps of the magnetic field and various derivatives were produced.

The Author visited the Property on May 13th, 2019 after the geological exploration program had been completed, but before analytical results had been received for the Issuer samples. The Author's Property visit included independent examination of three mineralized sites known from historical assessment reports and Minfile records. These showings are identified as the Lucky Jim, the Adam West, and Boyes Creek. The Author collected check samples for analysis from the vicinity of the sites based on his own assessment of important features to analyse, although he also observed the marked sites of the Issuer's samples.

The April 2019 exploration program by the Issuer was directed by Dr. T.N. Setterfield who collected 175 variously mineralized or altered rock samples from the vicinity of several showings, and 64 soil samples from a small grid at Lucky Jim showing. The main focuses of the exploration sampling were the documented showings particularly the showings known as Lucky Jim, Adam West, and Boyes Creek. New logging roads with rock cuts were mapped and prospected particularly in the vicinity of the main showings (Figure 6).

Mineralized Rock Sampling Methods

Rock samples collected by the Issuer were typically selected as single grab samples, or smaller chunks of rock from mineralized zones in outcrops making up a weight of about 1 kg. The samples were principally selected to represent unique styles of mineralization to differentiate the concentration of elements in observable mineral assemblages. A small number of samples were taken as chips across measured intervals where the rock was more homogeneously mineralized or where a planar mineralized lens or vein structure of significant width was identified. Samples were located using hand-held GPS units and sample sites were marked with flagging tape numbered with the sample number. The density of sampling was varied to thoroughly represent all aspects of mineralized structures.

The Author did not observe any significant sampling bias in the the Issuer sample data set. At the Adam West showing, mineralized rocks typically were massive basalts with disseminated amygdules containing bornite or chalcopyrite as well as some narrow veins of sulphides in fractures. In this type of rock many kilogram-sized individual samples might reproduce similar results because of the homogenous distribution of sulphide bearing amygdules. In contrast, at the Boyes Creek showing, many zones consist of widely spaced mineralized fractures some of which are up to 30 cm wide. At these outcrops it was readily possible to obtain single 1 or 2 km sized samples of solid bornite or, equally readily, completely barren basalt from the margin of the lens. Samples collected by the Issuer are representative of the different rock types, including high grade massive sulphide lenses, and are not blends of mineralized and unmineralized rock.

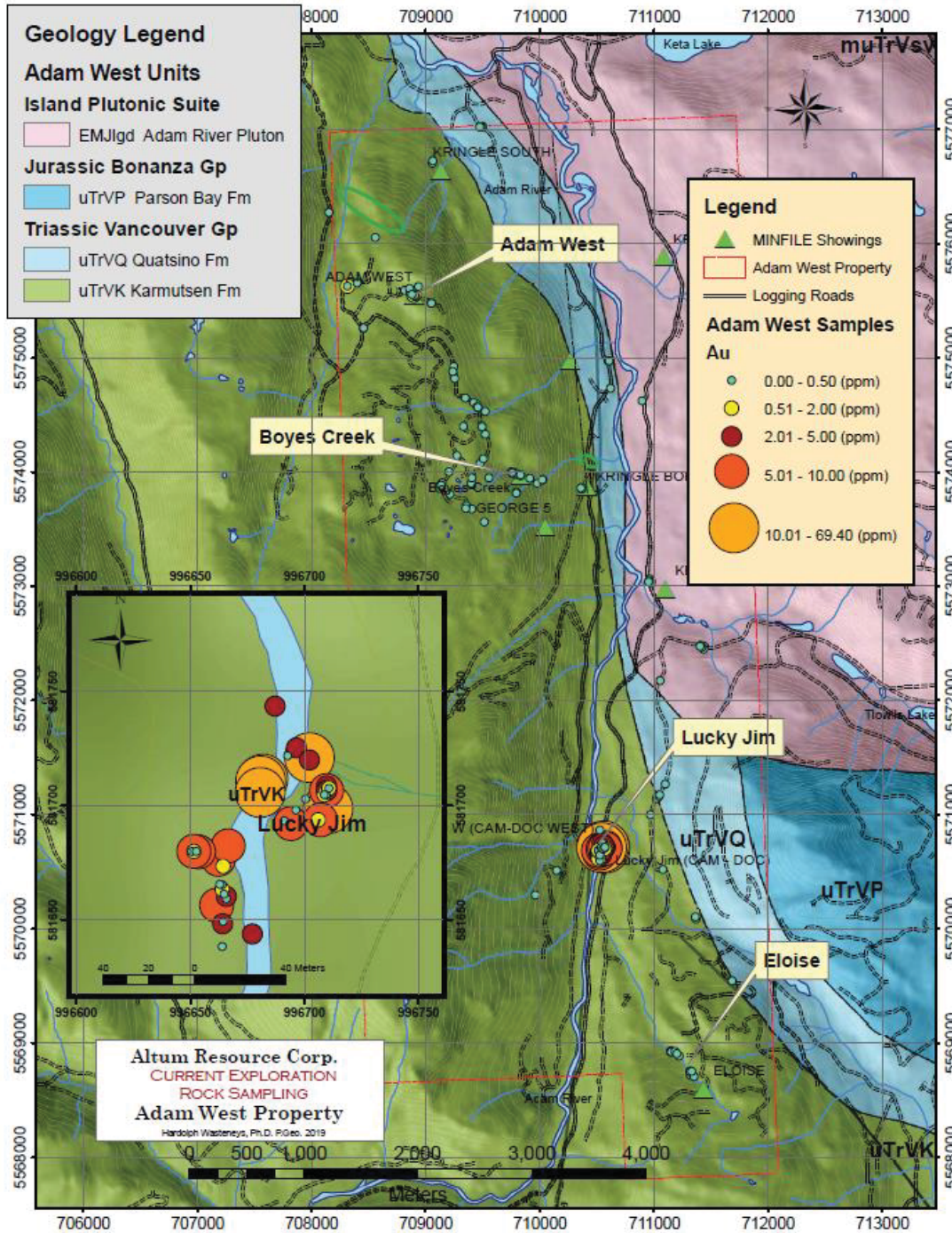


Figure 25. Gold in rock samples from the Adam West Property: Lucky Jim Inset Map Ranges of gold in mineralized rock samples from the the Issuer 175 sample dataset plus 6 check samples. Values are in ppm. The inset map shows the distribution of samples at the Lucky Jim showing. Positions approximate because of line-of-sight obstruction of GPS signals in the river canyon. Map constructed by the Author in ArcGIS 9.3, June, 2019.

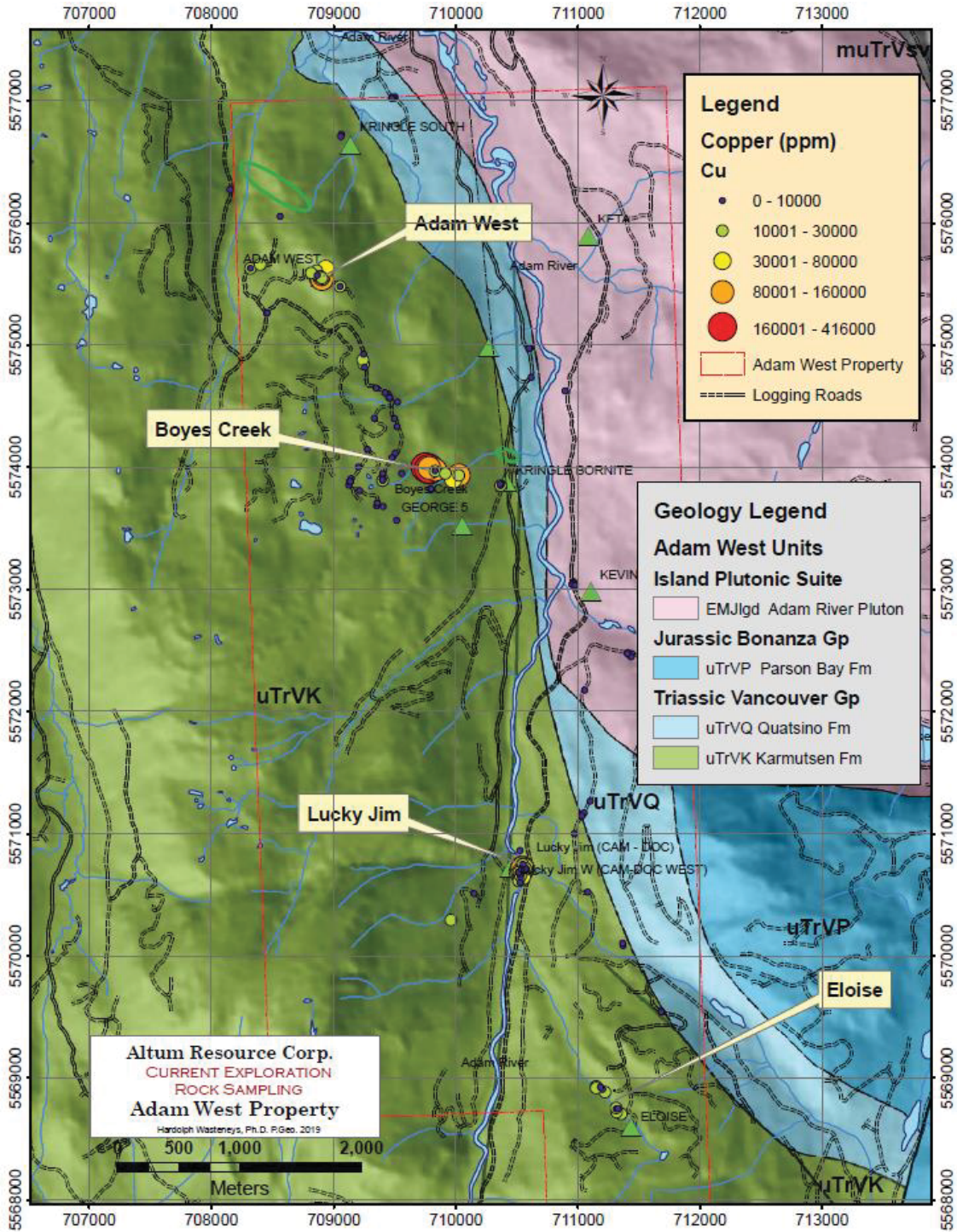


Figure 26. Copper in rock samples Ranges of copper in mineralized rock samples symbolized as shown in the legend. The Issuer 175 sample dataset plus 6 check samples. Values are in ppm. Green triangles are Minfile showing locations. Map constructed by the Author in ArcGIS 9.3, June, 2019.

At Lucky Jim, where the main commodity is gold, the sampling was aimed mainly at contrasting rock types, but boundaries between skarn facies are difficult to discern and six of the samples were taken as 1 m chips across mineralized zones. The sampling, as described in the Issuer's sample notes, appears to be representative of the various rock types observed to be associated with mineralization at the showings.

Significant Results of the Adam West Property Exploration

Many high grade assays of copper and gold were obtained from the 175 samples collected by the Issuer in the April 2018 survey. Anomaly maps symbolized to show ranges of copper and gold at sample sites throughout the Property are shown in Figures 24 and 25. The distribution of anomalous gold in rocks samples is dominated by samples from Lucky Jim (Figure 24) where of 50 samples of mineralized and unmineralized rock, 4 fall in the range from 10.0 to 69.4 ppm Au. The copper distribution on the Property in the rock dataset shows several anomalously high grade assays at Boyes Creek in the 160,001 ppm (16 wt%) to 418,000 ppm (41.8 wt%) range. Both Adam West and Lucky Jim have several samples in the next lower range of 8 wt% Cu to 16 wt% Cu.

The geology and sample assay results from each of the 3 showings, Lucky Jim, Adam West and Boyes Creek and the remainder of the Property are disclosed in sections below.

Geology of the Lucky Jim Prospect

The Luck Jim prospect was the subject of several historical exploration programs dating back to 1918 (Figure 27) that were documented in Item 6.0 History. Historical geological maps of the vicinity of the showing are in Figures 11 and 13. Figure 11 includes a compilation of drill hole and surface sampling assays. These data were recompiled by Dr. T.N. Setterfield in Figure 28 and augmented by the Issuer's initial sampling at Lucky Jim in 2018. To put the samples in context, the Author compiled geological data from the maps of Taylor (1980) shown in Figure 11, and Gardner and Becherer (2004) shown in Figure 13 together with the Issuer's sample stations data and the Author's own observations from his site visit. This mapping is used as a base for the historical sample data in Figure 28.

The Issuer's 2019 exploration results included analyses of 50 mineralized rocks and rock chips sampled from the two Lucky Jim showings on the east and west sides of the river. These were tabulated by the Author with UTM coordinates and capsule mineral assemblage descriptions condensed from field notes in Table 3. Because of the narrow sky view in the river canyon at the Lucky Jim site GPS reception was poor and consequently high errors were observed on many sample coordinates during the Issuer survey in April, 2019. To compensate, the samples were located on the accurately scaled map of Taylor (1980) (Figure 11), after the map was georeferenced in a GIS program and the revised coordinates recorded in Table 4



Figure 27. Lucky Jim adits on the east bank of the Adam River. Photos shows the portals to a short adit across the strike of the orangy rusted skarn mineralized layer on the left and a longer adit on the right that follows the mineralized dyke. A 5 foot steel bar rests against orange weathering calcareous precipitates above

the left portal. A hammer for scale is right of the adits. Orange flags are the Issuer sample sites. The view is looking to the south, up stream on the river. Photo by the Author May 13, 2019.

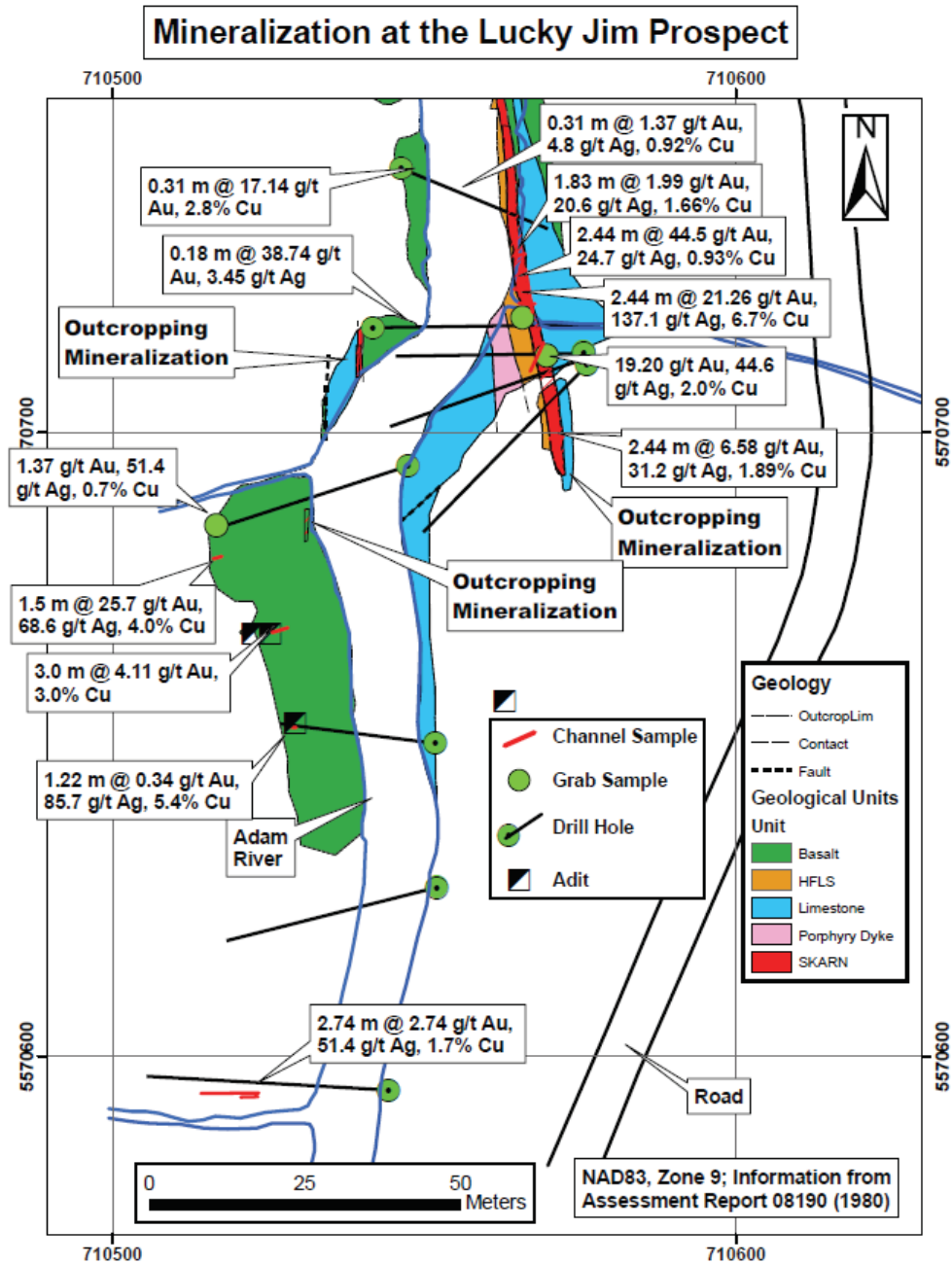


Figure 28. Map compilation of historical and drill locations at Lucky Jim. Historical sampling, drilling and drifting from Taylor (1980) with supplementary initial sampling results (the Issuer 2018 exploration) from T.N. Setterfield on the mineralized zone. Geological compilation by the Author using maps from Taylor (1980), Gardner and Becherer (2007) and the Author's field observations.

SAMPLE	Northing	Easting	Mineralization	Au	Ag	Cu	Pb	Zn	Fe	Mo	S	Mn	Co	As
19069	5570686	710531	cpy 4-9%mal 0.05-5%	6.92	128.0	138500	14	2680	20.1	0.5	10.0	1060	111	96
19067	5570715	710544	mal 2-6%, cpy 5-7%	46.90	94.9	95400	16	1610	18.3	0.5	10.0	2290	118	207
19068	5570716	710545	mal 2-3%, cpy 5-7%	69.40	77.2	81000	7	1550	16.3	1.0	10.0	2860	97	178
19074	5570660	710527	mal 0.0-4%, chalco 5-8%	6.84	129.0	73200	13	3580	20.6	2.0	10.0	1800	139	104
19022	5570726	710565	s-msv cpy-po	14.80	95.0	58900	5	5300	24.6	1.0	10.0	963	186	143
19013	5570712	710573	s-msv cpy, po & py b&ed	5.62	79.3	47900	17	6310	28.5	3.0	10.0	461	296	78
HW1582	5570730	710559	msv py-po-cpy	4.07	62.5	44500	9	2800	30.3	1.8	10.0	523	417	108
19019	5570714	710573	5% to s-msv po, cpy, py, spl	4.70	65.2	44000	10	3910	26.2	4.0	10.0	614	226	78
19035	5570680	710527	5-10% cpy, 5-15% py	7.79	76.0	41500	4	2090	24.6	1.0	10.0	1285	270	221
19010	5570710	710572	15% py, 5% cpy	1.41	38.0	37900	11	2750	20.3	4.0	10.0	1610	140	184
19065	5570648	710543	6-8%	3.18	59.1	32600	13	11850	18.4	1.0	10.0	1605	202	43
19021	5570725	710565	10-20% cpy, 3-5% po	2.59	49.2	31100	6	2020	15.6	1.0	8.0	1005	152	94
19025	5570612	710517	3-5% cpy	1.06	32.6	23800	2	1070	8.7	1.0	3.4	2430	40	701
19029	5570748	710549	20-30% cpy	3.91	28.4	22500	3	1020	12.3	2.0	5.7	1390	63	94
19038	5570664	710531	20% cpy & py	2.33	27.8	19350	7	1020	19.3	1.0	8.9	3070	187	66
19012	5570712	710573	s-m po, 5% cpy, ?sph	2.86	30.4	19150	7	2550	32.1	0.5	10.0	211	272	55
19060	5570713	710574	0.5-4% suls	0.41	22.0	17400	6	1100	15.9	9.0	8.7	1230	145	107
19064	5570652	710530	6-8%	2.37	30.6	17050	5	21900	15.5	1.0	10.0	2270	96	14
19033	5570677	710529	5-7% cpy, 3-5% py	1.46	31.2	15350	2	701	10.1	1.0	6.6	1285	112	121
19073	5570683	710518	py	5.71	19.0	14850	2	468	16.7	1.0	4.2	3220	61	26
19036	5570683	710516	5-7% py	5.52	19.1	14650	2	478	17.0	1.0	10.0	1710	142	139
19014	5570712	710573	5% py, 3% cpy, min sph	3.90	17.9	14250	21	4640	14.1	4.0	10.0	690	267	191
19063	5570653	710530	1-5%	0.38	19.6	13800	1	577	7.1	1.0	1.4	2300	24	18
19018	5570713	710574	5% s-msv po, cpy, py, sph	0.83	12.6	9500	5	1880	9.7	2.0	3.0	1380	53	57
19058	5570703	710560	mal	0.37	10.9	8900	6	469	9.9	2.0	2.9	1025	54	93
19030	5570667	710529	5-7% cpy, 3% py	0.79	11.2	7570	1	544	10.3	0.5	2.4	3700	56	37
19027	5570663	710531	0.5% f py	0.36	11.8	6810	5	598	14.4	1.0	5.9	3890	66	36
19024	5570699	710571	0.5-15% py	5.16	17.1	5980	2	305	13.5	2.0	2.9	2590	39	207
19023	5570699	710570	0.25% py	0.50	9.7	5180	4	294	9.6	1.0	1.1	2310	18	9
19066	5570665	710530	1-4%mal, 1-3% cpy	0.14	6.9	5060	2	633	11.4	0.5	1.6	4280	41	20
19071	5570683	710516	py	0.72	5.0	3580	2	371	14.0	1.0	1.4	3670	48	14
HW1583	5570726	710555	sulphide vnlets	0.09	3.6	2830	3.3	186	8.4	3.5	1.3	1630	21	61
19056	5570710	710544	cpy-py, 2-4%	12.20	13.5	2390	9	204	17.0	0.5	5.7	2120	71	399
19037	5570683	710515	5-7% py, 1-4 mm sms py	0.18	3.9	1910	1	259	11.6	3.0	3.7	2450	64	81
19059	5570708	710564	2-4% suls	0.16	1.9	1670	5	196	8.8	3.0	3.5	1030	39	132
19072	5570683	710517	py	0.04	0.9	1660	2	337	10.6	1.0	0.2	3760	30	5
19031	5570669	710529	5-7% py	0.28	2.3	1550	1	283	9.4	1.0	1.3	3140	37	19
19026	5570642	710530	1-2% mgt, 3% vf cpy	0.02	0.7	1320	1	115	7.8	0.5	0.1	1400	39	3
19011	5570710	710573	2-4 mm sms of sul	0.02	0.9	1150	3	138	8.7	2.0	4.0	1040	25	24
19032	5570669	710528	5-7% py	0.11	1.8	1130	1	277	14.1	7.0	5.5	3060	200	86
19055	5570697	710558	cpy-py, 2-4%	5.31	1.3	1050	2	143	18.6	1.0	10.0	1340	217	1140
19070	5570683	710515	py	0.10	1.5	898	1	255	12.9	1.0	1.8	3470	47	49
19057	5570698	710555	0.5-2% suls	0.02	0.6	677	1	137	5.1	0.5	0.9	753	13	8
19017	5570712	710573	py seams, 1%?	1.38	1.3	672	5	260	7.6	1.0	1.6	1465	48	69
19015	5570710	710572	0.1-0.5% py	0.01	0.3	577	2	202	5.5	1.0	0.6	1250	19	6
19016	5570711	710572	0.1-0.5% py	0.00	0.3	374	4	208	4.7	2.0	0.2	1120	12	3
19034	5570861	710527	5-7% py, 1-4mm sms of py	0.23	0.7	355	3	220	14.7	1.0	5.0	3020	120	131
19028	5570748	710549	5% vf py	0.03	0.5	220	4	69	9.1	0.5	2.0	850	81	5
19062	5570594	710527	0.05-2%	0.03	0.3	107	1	23	2.1	1.0	0.3	399	8	3
			Average	4.76	28	20240	5	1849	14.3	1.7	5.4	1878	107	118
			90%ile	7.79	79	58900	13	4640	24.6	4.0	10.0	3670	267	207
			Median	1.06	14	8900	4	544	14.0	1.0	5.0	1605	66	78

Table 3. Selected elements for 50 mineralized samples from the Lucky Jim showing. Samples were selected by proximity to the Lucky Jim showing. The table is sorted by copper concentration. All elements are reported in ppm except Fe and S which are in %. S has an analytical maximum of 10% shown as 10.0. The Author's two check samples are highlighted in blue. Table compiled by the Author June, 2019. Noticeable are correlations between copper, silver, gold, iron, and zinc (see Figure 39 below). Chalcopyrite is the dominant sulphide mineral in the descriptions of higher grade sample while pyrite increases in prevalence towards the bottom of the table. Mo, Pb, As, Co, and Mn all show a high degree of variability and lack of correlation with copper. (Abbreviations in Mineralization column: cpy- chalcopyrite; bn - Bornite; vn - vein; mal - malachite; msv - massive; s-m semi-massive; f - fine grained; cc- chalcocite; sul sulphides; car carbonate; py pyrite; mgt magnetite; Az azurite).

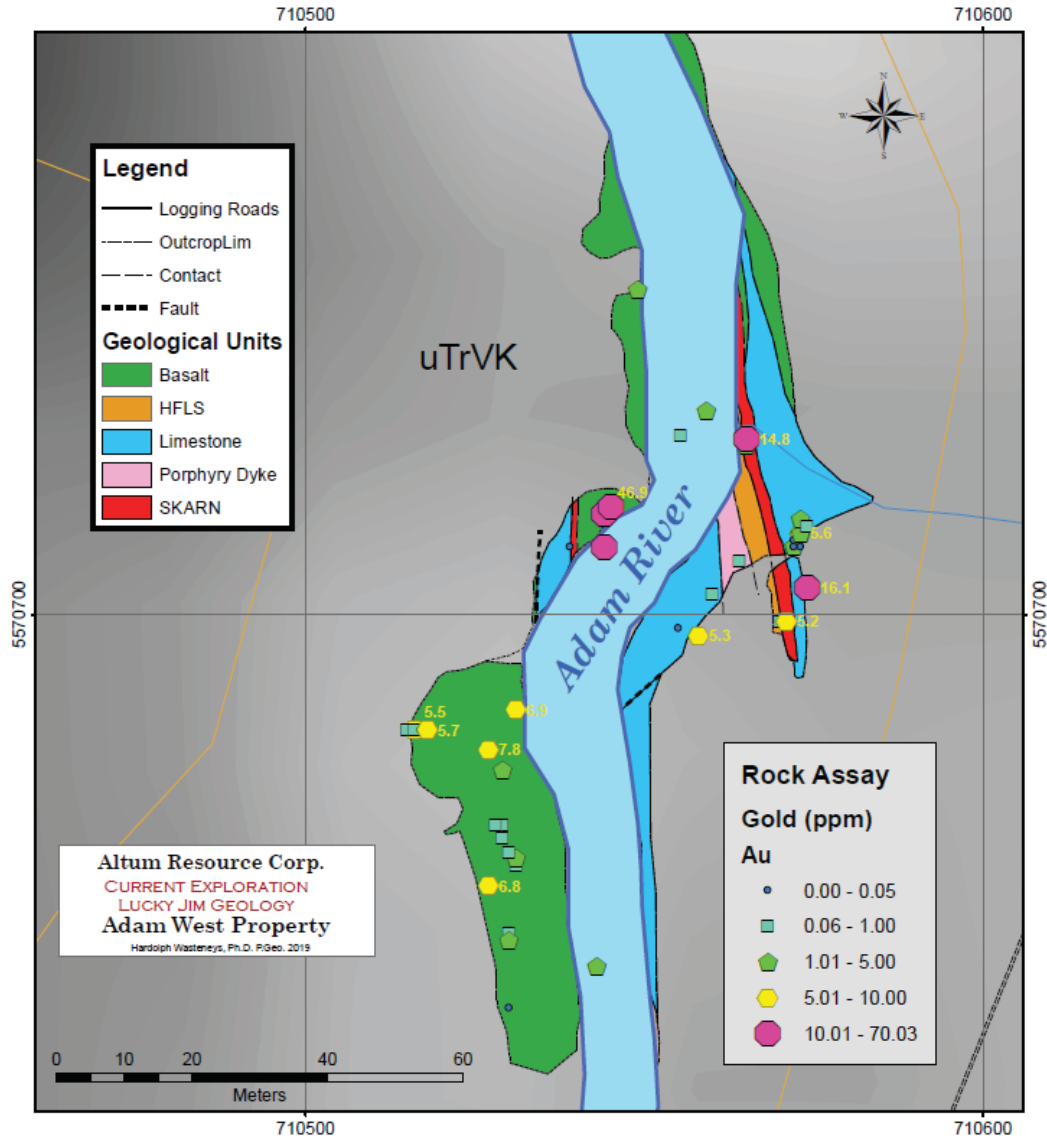


Figure 29. Geology Map of the Lucky Jim Showing with Gold Assays. Geology compiled by the Author from historical maps in Figures 11 and 13 (Taylor, 1980; Gardner and Becherer, 2004), sampling descriptions from the Issuer's 2019 and 2018 exploration, and the Author's personal observations on May 13, 2019. HFLS is hornfels according to Gardner and Becherer (2004). The Basalt outcrops and surrounding area, labelled "uTrVK", are assigned to the Karmutsen Formation. uTrVK is a geological acronym for upper Triassic, Vancouver Group, Karmutsen Formation. Gold assay from rocks samples include the Issuer's 2018 and 2019 data as well as the Author's check samples. Values plotted for gold above 5 ppm. Positions of samples have been approximated to compensate for poor GPS in river canyon (some plot in river). Map drawn by the Author in ArcGIS 9.3 June 2019.

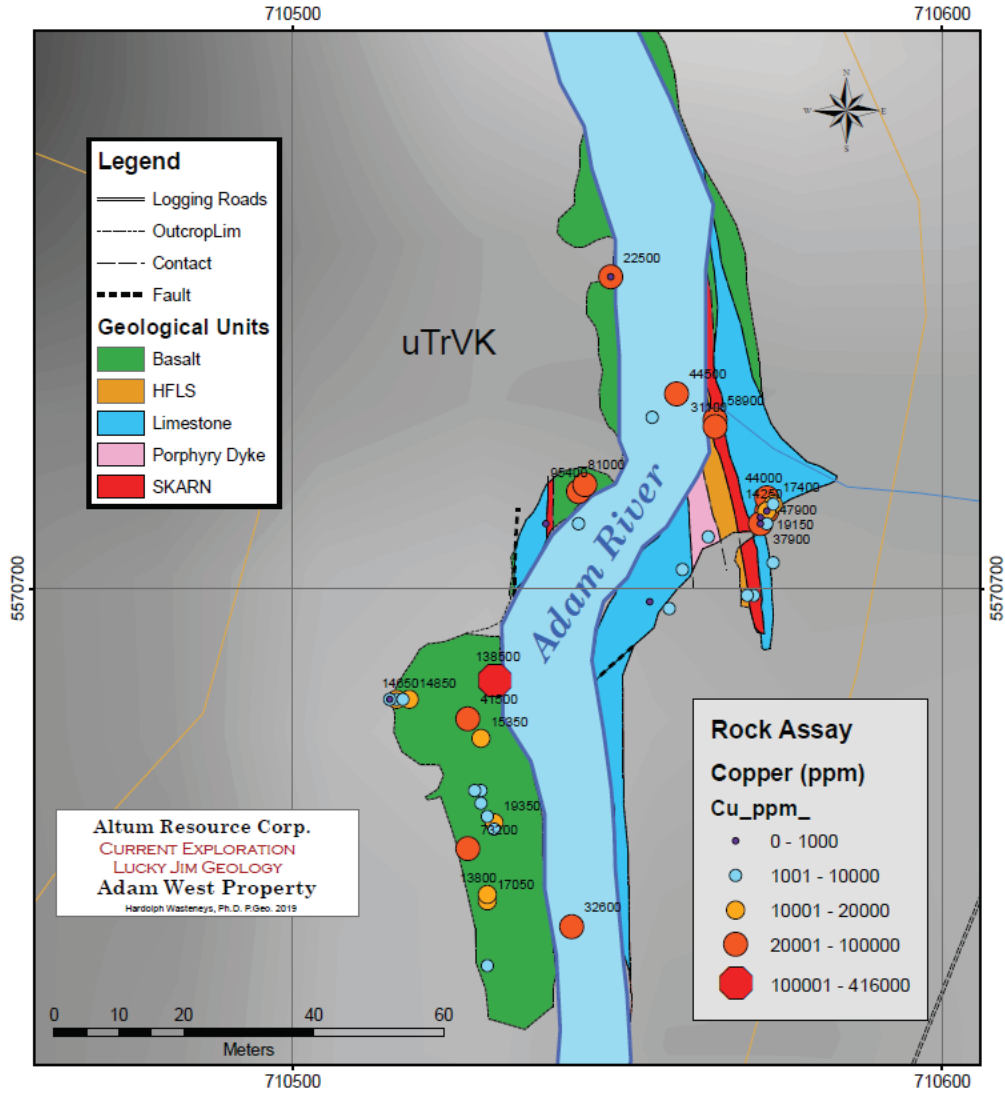


Figure 30. Geology Map of the Lucky Jim Showing with Copper Assays. Geology compiled by the Author from historical maps in Figures 11 and 13 (from Taylor, 1980; Gardner and Becherer, 2007), sampling descriptions from the Issuer's 2019 and 2018 exploration, and the Author's personal observations on May 13, 2019. Copper assays from rocks samples including the Issuer 2018 and 2019 data and Author's check samples. Values plotted for copper above 10,000 ppm (1%). Positions of samples have been approximated to compensate for poor GPS in river canyon (some plot in river). Map drawn by the Author in ArcGIS 9.3 June 2019.

Assay results in Table 3 are represented with proportional symbols on the geological map base of the Lucky Jim showing in Figures 29 and 30. Figure 29 shows gold assays with values above 10 g/t Au labeled adjacent to the symbol. Gold grades in the 50 samples average 4.9 g/t and range between background and 69.4 g/t Au. On the map it is apparent that the highest gold grades correspond to the skarn zones on both sides of the river. Many samples with gold assays ranging from 5 to 10 g/t Au occur in quartz-carbonate veins cutting basalt on the west side of the river and particularly near old adits.

Copper is shown by proportional symbols on Figure 30. Assays in the 50 sample set range from 220 to 138500 ppm (~14%) and average about 2% Cu. Higher grades of copper occur in chalcopyrite-pyrite veins, mainly on the west side of the river and in various types of skarn where the assemblage chalcopyrite-pyrrhotite with lesser pyrite is common. The skarn mineralization is associated with a feldspar porphyritic dyke that cuts limestone and basalt at the eastern Lucky Jim showing. The dyke is mineralized and altered with sulphides appearing in replacement masses and in fracture networks.

Soil Geochemistry at the Lucky Jim Showing

As part of The Issuer's exploration program around the Lucky Jim showing, 63 soil samples were collected from a 200 by 400 meter area (Figure 31) spanning the Adam River centered on the historical adits at the river level (Figure 27). Samples were collected at 25 m intervals on line spaced at 50 m. B or C horizon mineral soils were targeted. Samples were analysed at ALS Canada Ltd laboratories in North Vancouver by ME-ICP61 for 33 four acid soluble elements and by Au-AA23. The Author examined the QA/QC data files provided by ALS and is satisfied that the results represent natural variations in the analysed elements at reasonable levels of precision and accuracy.

The geochemical analyses are represented on a combined proportional symbol map for copper and gold to correlate anomalous values shown in the map in Figure 31. The data set is too small for confident use of statistics to predict anomalies and intervals were chosen by comparison with results from previous surveys elsewhere in the area and arbitrarily by observable concentration groups in the data. Of the 33 elements analysed, copper and gold are of the most interest and show the most variation. Many potential tracer elements are either below detection limit by ME-ICP61, such as tungsten, or not reported such as tellurium and mercury. Anomalous levels of copper are generally expected to be above 150 ppm in areas of the Karmutsen basalts although historical surveys with large data sets determined that 75 ppm was the anomalous threshold in the area (Smitheringale, 1983). Using 150 ppm Cu as threshold, about 18 of the 62 samples would be classified as having anomalous copper concentrations. For gold, analyses show a range from 0.36 ppm to below detection limit of 0.005 ppm (10 samples 0.005 or less). The next lower below 0.360 ppm is 0.049 and then 0.025.

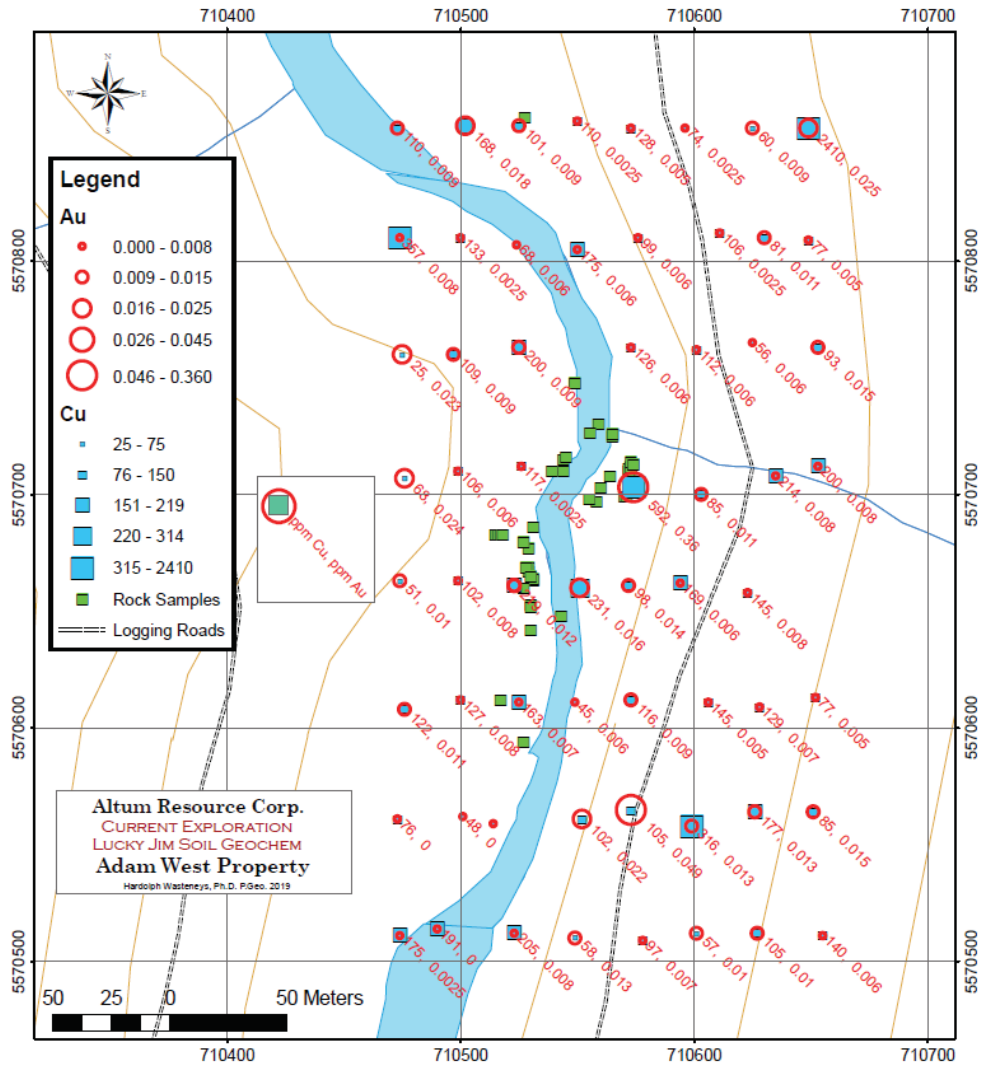


Figure 31. Copper and Gold in Soils in the Lucky Jim showing area. Symbols for Au (red open circles) overlap Cu (blue squares). Point labels: Cu, Au; concentrations all in ppm. Current exploration rock sample

locations shown by green squares. Map drawn by the Author using spatial files and geochemical data from T.N. Setterfield (July, 2019).

Corresponding anomalies for copper and gold are observed in Figure 31 near the main showings at the base of Camp Creek and in one anomaly at the NE corner of the grid. No observations are available for the NE anomaly. Steep slopes, road building, and previous logging activity may have resulted in transported and disturbed soil horizons.

Exploration at the Adam West showing

At the Adam West showing the Issuer's 2019 exploration program focused on several objectives including confirming the style of mineralization, confirming the geological setting of the principal zones of mineralization, and locating evidence of previous drilling. Access to the Adam West showing is via new logging roads that skirt a broad easterly trending ravine that runs transverse to the main ridge. The ravine is underlain by limestone, found by the Issuer geologists and previously noted in historic reports to have small karst features. The upper contact of the limestone was observed to be conformable with the overlying pillowed basalts shown in the photograph in Figure 32. The main area of mineralization was reported historically to be below the limestone unit, and this was confirmed by the Issuer. As well old drill core was found on site in the ravine, but the boxes and labels were not well preserved. Traverses followed the main road cuts and the edges of the ravine where a few outcrops were located. In one part of the newer roads many chunks of malachite and azurite stained rocks were found in the road fill, but could not be confidently traced to an outcrop source. The trace of the new road appears to have been blasted through the recorded site of the main showing, which may explain the prevalent mineralization.



Figure 32. Pillowed flows at the Adam West showing. The photo was taken looking north across a ravine to an escarpment exposing pillowed flows that overlie a limestone lens in the Karmutsen Formation. Bedding dips shallowly to the northeast. Taken by the Author May 13, 2019.

A total of 33 mineralized samples were taken from outcrops and float in the area for analysis. Assays for selected elements, coordinates, and descriptions are tabulated in Table 4. Locations of the samples and copper and gold assay values are symbolized in Figure 33 A and B. Geological features and contoured copper anomalies were compiled for Figure 33 by the Author from maps in Mottershead (1971), who conducted exploration for Conoco.

Copper assays range from 368 ppm to 134,000 ppm (13.4%). Silver ranges from 0.5 ppm to 21.9 ppm and correlates with copper with an average Cu:Ag ratio of 4962 (examined in more detail in section 9.8). In the highest 15 copper

values Cu:Ag is 4448. Gold is erratic with two anomalous value for 0.669 and 1.125 ppm with an average of 0.038 ppm. Most of the samples in the dataset were collected at the main Adam West showing depicted by the cluster of high copper assays in Figure 33A. Other samples for the set were collected in the vicinity along logging roads ranging north in the dip direction of the host basalt flows and the overlying limestone layer.

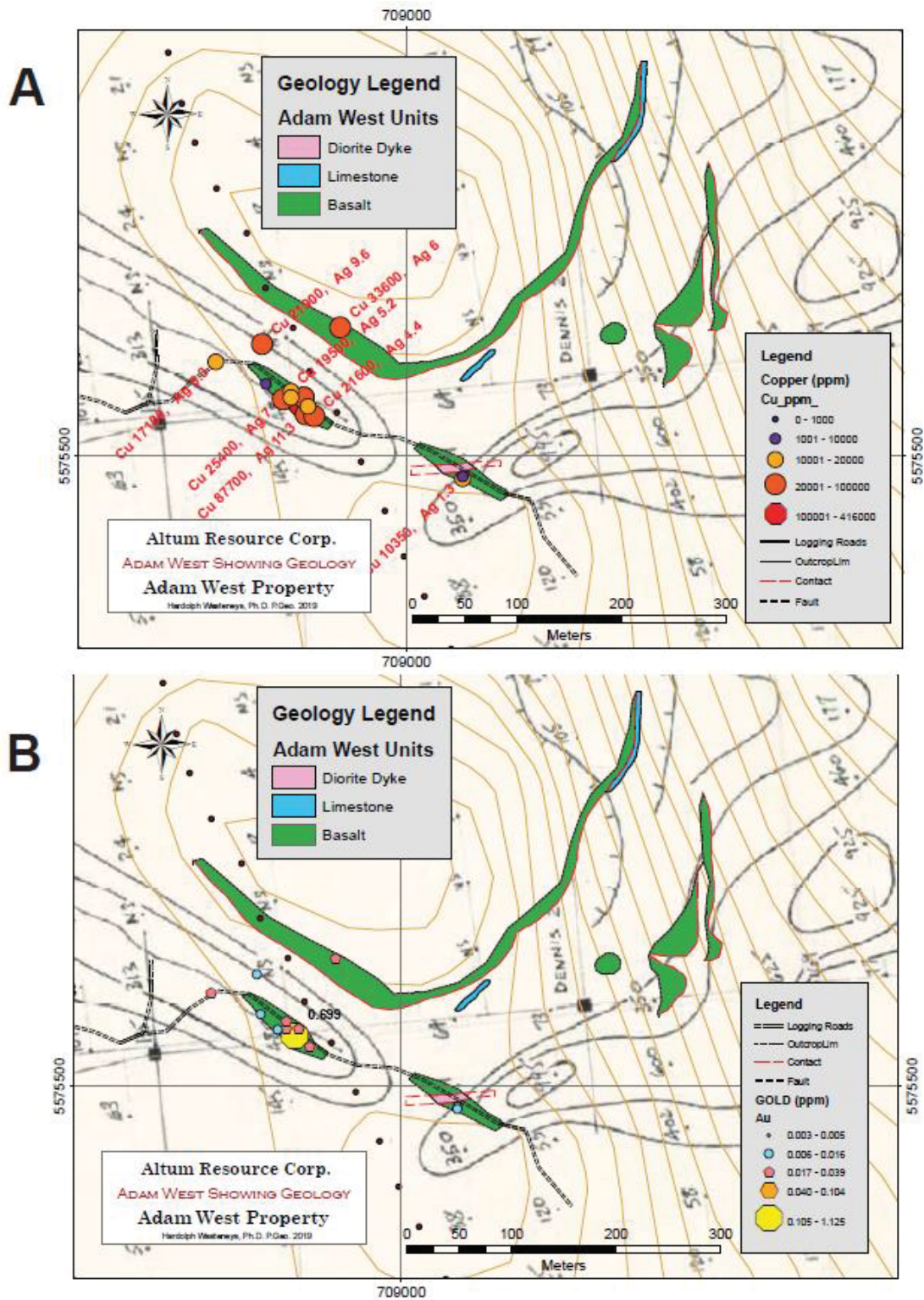


Figure 33. Adam West Showing Geology and Rock Sample Geochemistry Geological mapping compiled from Leriche (1971) by the Author shows a persistent limestone unit below pillowed basalts that are visibly exposed in a cliff face above a karsted ravine. Basalts are present to the south, presumably stratigraphically below the

basalt. Samples in map A: Copper distribution around the Adam West Showing. Underlay is a map from Mottershead (1971) showing contoured copper in soils reflecting the base of the limestone unit. Samples in Map B: gold.

SAMPLE	Northing	Easting	Mineralization	Au	Ag	Cu	Pb	Zn	Fe	Mo	S	As	Sb
19079	5575549	708898	mal 1-4% bn 1-6% a	0.699	21.9	134000	1	37	6.1	0.5	3.0	2.5	2.5
HW1598	5575540	708904	1 cm bn-cc vn	0.015	11.3	87700	4.3	55	7.6	0.5	2.3	1.6	0.1
19008	5575556	708902	5-7% f sul	0.026	9.8	40000	3	49	7.4	1.0	0.8	2.5	2.5
19052	5575623	708937	Az, mal	0.019	6.0	33600	6	66	9.1	1.0	0.7	2.5	2.5
19054	5575554	708882	Az, mal	0.008	7.0	25400	1	71	6.8	0.5	0.7	2.5	2.5
19009	5575556	708902	5-7% f sul	0.021	3.4	23700	1	64	8.2	1.0	0.4	2.5	2.5
19098	5575626	708318	1% f bn	1.125	13.2	23000	1	14	5.3	0.5	0.5	2.5	2.5
19004	5575607	708862	2-3% cpy	0.009	9.6	21900	4	43	7.4	0.5	1.0	2.5	2.5
19047	5575538	708912	3-5% bn	0.019	4.4	21600	3	22	8.6	1.0	0.3	2.5	2.5
19048	5575562	708890	1% bn	0.021	5.2	19500	1	30	7.6	0.5	0.2	2.5	2.5
19007	5575556	708890	5-7% f grey sul	0.035	4.1	19050	1	74	7.0	0.5	0.3	2.5	2.5
19182	5574845	709246	mal	0.133	3.4	18200	5	61	9.5	1.0	0.1	8	5
19003	5575590	708818	1-2% mgt, 0.5% cc c	0.039	5.3	17100	3	114	7.6	1.0	0.4	2.5	2.5
19175	5575656	708400	1-3% f bn	0.019	7.2	15950	12	45	6.6	1.0	0.2	2.5	5
HW1594	5575547	708906	bn in amygdules	0.011	1.7	14450	1.9	106	7.0	0.6	0.3	1.5	0.09
19183	5574878	709240	mal	0.009	0.7	11400	1	125	8.1	1.0	0.2	2.5	2.5
19006	5575478	709054		0.007	1.3	10350	1	65	7.6	1.0	0.2	2.5	2.5
19184	5576274	708152	1% bn	0.009	1.1	9820	3	90	9.1	1.0	0.3	2.5	7
19176	5576055	708561	0.25% f cpy	0.008	4.0	7080	5	118	9.2	16.0	0.7	9	2.5
19053	5575480	709054	Az, mal	0.008	1.0	6900	1	88	8.3	1.0	0.1	2.5	2.5
19177	5574596	709450	1% bn	0.290	3.2	6860	5	56	5.5	1.0	0.2	2.5	7
19005	5575569	708866	3% cpy	0.016	6.3	5130	2	49	7.6	0.5	0.2	2.5	2.5
19208	5574571	709451	0.5% cpy	0.020	1.1	4640	1	64	6.3	0.5	0.3	2.5	2.5
19099	5575626	708318	1% f cpy	0.112	2.1	4610	1	66	7.4	0.5	0.3	2.5	2.5
19178	5574608	709421	0.5-1% cpy-bn	0.068	0.9	4220	2	124	8.7	0.5	0.1	2.5	2.5
19051	5574923	709247	0.5-1% f grey sul	0.010	1.0	2980	1	206	8.2	1.0	0.1	2.5	2.5
19205	5574531	709523	0.5% f cpy	0.020	0.3	2870	1	88	10.3	2.0	0.3	2.5	2.5
19206	5574567	709459	0.5% cpy	0.012	0.8	2600	1	53	5.9	1.0	0.1	2.5	6
19181	5574819	709256	0.25% f bn	0.088	0.3	2270	1	41	8.1	1.0	0.1	6	2.5
19207	5574567	709459	0.5% cpy	0.003	0.3	1120	6	93	9.1	1.0	0.1	2.5	14
19001	5575259	708454	1-2% rx sul	0.005	0.3	657	2	103	7.3	1.0	0.0	5	2.5
19002	5575262	708457	1-2% rx sul	0.003	0.3	463	2	79	7.6	1.0	0.1	2.5	2.5
19179	5574648	709348	0.25% f cpy-py	0.003	0.3	368	1	38	7.8	1.0	0.0	2.5	5
			Average	0.088	4.2	18166	3	73	7.7	1.3	0.4	3.0	3.3
			90%ile	0.227	10.7	37440	6	122	9.2	1.0	0.9	5.6	6.6
			Median	0.019	3.2	10350	2	65	7.6	1.0	0.3	2.5	2.5

Table 4. Selected element concentrations in 33 mineralized rocks from the Adam West showing. Samples were selected by proximity to the main showing. The table is sorted by copper concentration. All elements in ppm except Fe and S in %. The two check samples are highlighted in blue. Table compiled by the Author June, 2019. (Abbreviations in Mineralization column: cpy- chalcopyrite; bn - bornite; vn - vein; mal - malachite; msv - massive; s-m semi-massive; f - fine grained; cc- chalcocite; sul sulphides; car carbonate; py pyrite; mgt magnetite; Az azurite).

The sampling confirms that significant concentrations of copper occur as veinlets and amygdule fillings in the low-grade metamorphic rocks of the Karmutsen Formation at the Adam West showing and in scattered outcrops through the area. Further work will need to be completed to determine the importance of the contact with the overlying limestone as a depositional mechanism. The historical copper anomaly in soils from the Conoco exploration is coextensive with the high grade copper samples at the main showing and suggests more detailed soils geochemistry is warranted to explore the area. Historical IP surveys also produced anomalous results roughly coincident with the soil anomalies.

Exploration at the Boyes Creek Showing

Exploration of the numerous mineralized zones in Boyes Creek was guided by the excellent detailed map of Sharp (1969) that shows individual mineralized fractures, faults and styles of mineralization along the length of the 1.5 km creek. Part of Taylor's map and legend are shown in Item 6 History, Figure 8. Unfortunately, for utilization of the map in exploration, Sharp (1980) observed that magnetic declination varies along the creek as a result of the high magnetic susceptibility of many of the Karmutsen basalt flows and the influence on his compass in the narrow canyon

(Figure 34). This made it impossible to determine true azimuths of sections of the creeks resulting in angular distortion between them when drawn on the map. Consequently, attempting to align the map with geographic features to determine coordinates is not possible with better than a hundred meters of precision. This is because of a lack of geographic features on existing topographic maps that can be correlated with the features drawn on the map. Few features are certain, the confluence of two branches of the creek being one, so the map could only be used approximately by matching descriptions of creek features and veins as they were observed in traverses. Figure 35 shows an example of the correlation of a series of high grade samples with a particular section of the creek on Sharp's map.



Figure 34. Boyes Creek Canyon. Looking downstream in Boyes Creek above showings on the right side of the creek. The left wall may be a bedding dip slope fractured below a fault structure followed by the creek. On the left (north) the slopes are dominantly cliffs cutting across basalt flows. The topography in this view is typical of Boyes Creek from its confluence with the Adam River at 260 m upstream to its headwaters at 760 m. Photo by the author May 13, 2019.

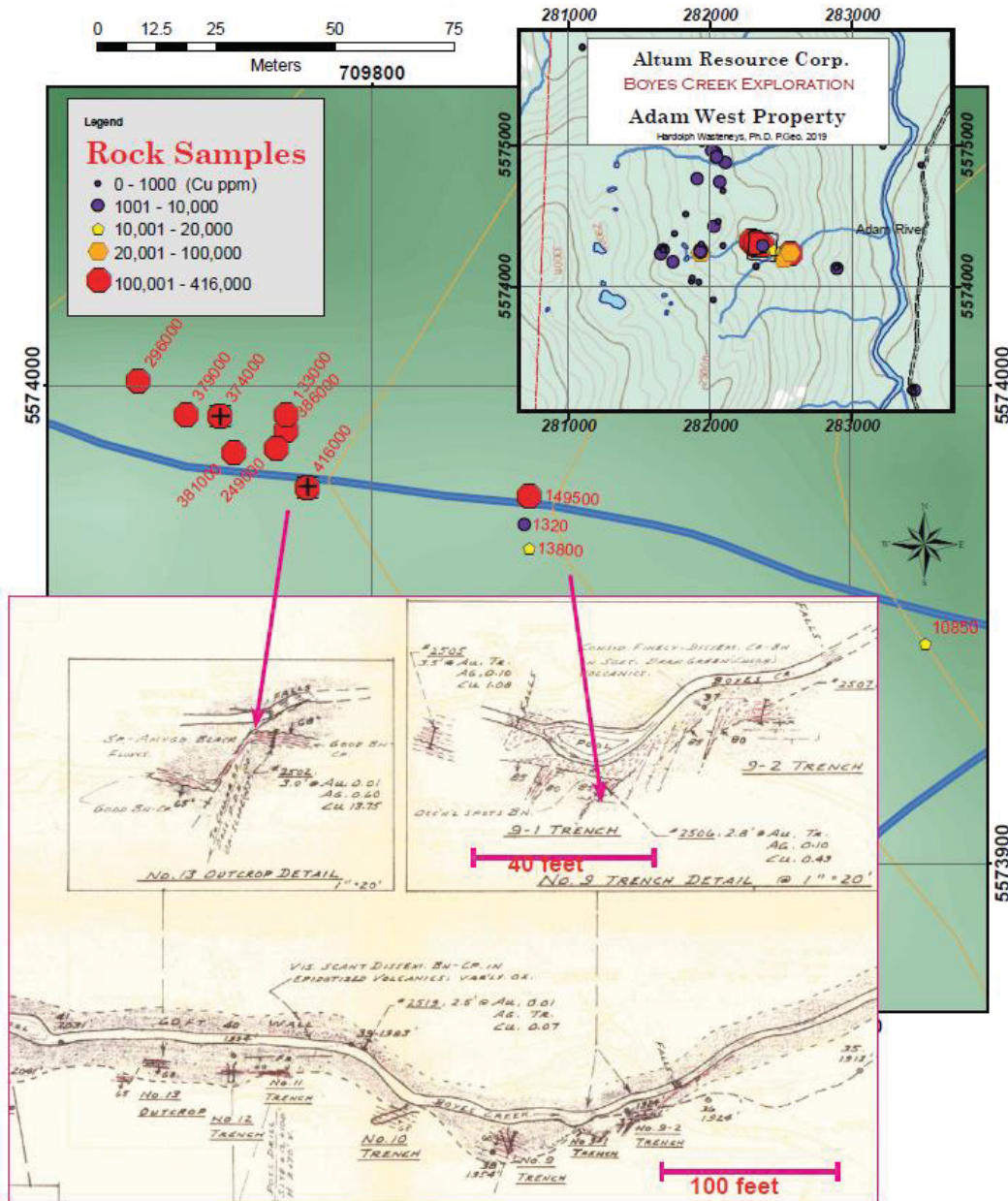


Figure 35. Boyes Creek High Grade Bornite Veins. The topographic map in the inset shows the position of the high grade bornite-chalcocite samples symbolized in the main map. Red labels on the data points show Cu in ppm. Black crosses are the Author's check samples. The main cluster of high copper samples is from veins in the "No 13 Outcrop Detail" sketch (Sharp, 1980). The second group of 3 samples correlates with the "No. 9 Trench" sketch. Map constructed by the Author in ArcGIS 9.3 with overlays in InDesign, June, 2019.

Further complicating efficient exploration, the terrane along the creek is steep, dropping from 760 to 280 m elevation in 1.5 km to the Adam River. As well the creek occupies a narrow "V"-shaped canyon shown in Figure 34, along much of its extent and particularly in the mineralized zones. Traverses could rarely be done continuously near the creek bed. Small waterfalls, in the order of 5 m, occur at regular intervals. The north slope was commonly a 15 m rock cliff, while the south was shallower, but still dangerously steep in many places requiring diversions uphill around the obstacles.



Figure 36. Massive bornite lens in altered volcanic rocks at Boyes Creek. The lens of bornite dips steeply to the right orthogonal to the hammer handle under the 20 cm of pink taped shaft. The lens continues for a few meters parallel to the hammer head. The sample at this site HW1602 graded 41.6 % Cu, and 145 g/t Ag.

However, several good matches with the old map were found and resampled for comparison with old data (Sharp, 1980). Twelve of these sites are symbolized on Figure 35 including the Author's check samples. The samples were taken from veins or lens of massive bornite, chalcocite and lesser chalcopyrite with sharp contacts with a slightly altered volcanic rock. Samples were selected to represent the vein material and not measured intervals except for vein thicknesses. In places the lens were over 20 cm thick (Figure 36) and it was readily possible to extract kilogram-sized chunks of rock of nearly pure massive bornite with mixed amounts of chalcocite. Assays of such samples yielded from 14 to 41.6 % copper depending on the proportions of chalcocite to bornite or chalcopyrite. Bornite contains 63 wt% copper, chalcocite 80% and chalcopyrite 35%. Spot analyses with a handheld Niton XL3t XRF analyser yielded up to 63 wt% copper on the high grade sample indicating that the spot was pure bornite or an intergrowth with chalcocite. Other spot XRF analyses from the same rock: 51.2% Cu, 9.4% Fe, 15% S, 112 Mo; and 49.0% Cu, 11.4% Fe, 19.0% S, 98 Mo. The lower values from the grab sample assay indicate that rock fragments are suspended in the sulphides. This is confirmed in the assay by several wt% of Al, Mg and Na, all elements from silicate minerals (silicon is not reported by ICP methods utilizing chemical dissolution). Grab and chip samples for narrower veins and seams with wall rock attached yielded the lower copper contents. The thirteen samples, shown in Figure 35, averaged 22% Cu and 54 ppm Ag. Unusually, compared to other samples from the Property, Mo averaged 57 ppm in these samples ranging from 1 ppm to 128 ppm. The anomalously high Mo concentrations are graphically illustrated as outliers in the box plots for Boyes Creek in Figure 38 (below in section 9.8). For all of the rocks in the Boyes Creek sample set copper ranges from 459 to 416,000 ppm with a mean value of 110,000 ppm (11%). Silver ranges from below the detection limit for Ag by ME-ICP61 of 0.5 ppm, to 167 ppm. The ratio of copper to silver in samples across the Property, displayed in Figure 42, is much lower in Lucky Jim than at Boyes Creek and Adam West. At Boyes Creek the Cu:Ag: ratio ranges from 212 to 7936 and averages 3455. Cu:Ag ratios are generally higher in the copper-rich samples with and the top 12 averaging 4563. The consistency of the Cu:Ag ratio at Boyes Creek and Adam West suggests that silver is a substitute for copper in some sulphide minerals rather than forming discrete silver-rich minerals. Gold was generally assayed at low concentrations ranging from 0.006 to 0.056 ppm and averaging 0.030 ppm Au.

The samples from Boyes Creek were collected from different components of the mineralized rocks and aid in representing the mineralogy. Historical sampling by Sharp (1969) appears to have been across measured intervals, resulting in much lower averaged Cu values indicated on the map. The present results show that further exploration on Boyes Creek is warranted to determine controls on, and the distribution of mineralization. Much of the known mineralization appears to be in the eroded foot-wall of a fault structure or the top of a thick flow. Exploration should determine if mineralization is confined to a single planar structure or if it continues to lower structural levels.

SAMPLE	Northing	Easting	Mineralization	Au	Ag	Cu	Pb	Zn	Fe	Mo	S	As
HW1602	5573979	709786	cpy-bn vn 20 cm	0.036	145.0	416000	23	61	11.6	97.4	10.0	4.3
19045	5573991	709782	5-10% bn	0.022	167.0	386000	33	66	9.2	51.0	9.4	2.5
19077	5573986	709771	bn 10-15% mal 5-1	0.056	116.0	381000	21	79	9.0	85.0	10.0	2.5
19095	5573994	709761	msv bn, s-m cpy	0.021	63.8	379000	38	13	23.2	107.0	10.0	2.5
HW1601	5573994	709768	msv bn-cpy pod	0.025	67.4	374000	43	33	21.1	128.0	10.0	3.1
19094	5574001	709751	s-msv cpy, 10% br	0.040	37.3	296000	28	26	16.1	125.0	10.0	11.0
19078	5573987	709780		0.046	108.0	249000	14	58	7.2	58.0	7.2	2.5
19091	5573977	709833	10% cpy, 5% bn, c	0.051	26.2	149500	3	18	8.1	10.0	5.7	2.5
19088	5573934	710028	5% f bn, 3% f cpy	0.422	25.9	134500	3	34	6.5	4.0	4.6	2.5
19046	5573994	709782	7% cpy, 4% bn	0.032	20.7	133000	19	80	12.3	73.0	7.7	2.5
19089	5573898	709979	2-3% bn	0.039	6.6	44600	2	40	5.8	1.0	0.5	2.5
19087	5573934	710025	5% bn	0.027	4.0	27000	1	75	9.4	4.0	0.7	2.5
19076	5573889	709401	bn 5-10%	0.030	6.0	22800	1	75	8.5	0.5	0.8	2.5
19093	5573966	709833	5% cc	0.009	5.0	13800	1	58	5.6	0.5	0.3	2.5
19039	5573892	709404	sul %	0.135	25.7	12450	1	59	9.8	1.0	0.2	2.5
19090	5573946	709916	1% bn	0.016	6.0	10850	1	51	5.1	1.0	0.3	2.5
19075	5573889	709401	bn 5-10%	0.029	1.4	7340	1	101	9.5	0.5	0.8	2.5
19042	5573897	709401	cpy carb vns	0.014	2.1	7010	2	62	9.5	1.0	0.6	2.5
19050	5573900	709403	malachite	0.012	5.0	6980	1	47	9.1	1.0	0.4	2.5
19049	5573899	709402	malachite	0.009	3.6	5770	1	76	9.7	1.0	0.1	2.5
19041	5573900	709404	3% bn	0.014	4.3	4170	1	36	8.3	1.0	0.3	2.5
19043	5573898	709402	bn	0.015	0.7	2380	1	41	8.4	1.0	0.2	2.5
19201	5573894	709402	5% py-cpy	0.029	0.3	1640	2	63	10.0	0.5	0.5	2.5
19092	5573971	709832		0.006	0.3	1320	1	47	6.8	1.0	0.1	2.5
19096	5573816	709798	5-7% py	0.005	0.3	797	3	112	11.3	1.0	0.4	2.5
19097	5573821	709798	0.1% f cpy-py	0.011	0.3	542	1	165	9.5	1.0	0.0	2.5
19202	5573947	709404		0.006	0.3	513	2	192	12.1	1.0	0.0	2.5
19044	5573949	709558	0.25% cpy	0.017	0.5	459	1	66	9.1	1.0	0.1	2.5
			Average	0.042	30.3	109586	9	66	10.1	27.1	3.2	2.9
			90%ile	0.053	110.4	379600	30	104	13.4	100.3	10.0	2.7
			median	0.024	5.5	13125	2	60	9.3	1.0	0.6	2.5

Table 5. Selected elements for 28 mineralized samples from Boyes Creek Samples were selected by proximity to the main showing in ArcGIS. The table is sorted by copper concentration. All elements in ppm except Fe and S in %. The Author's two check samples are highlighted in blue. Table compiled by the Author June, 2019. (Abbreviations in Mineralization column: cpy- chalcopyrite; bn - Bornite; vn - vein; mal - malachite; msv - massive; s-m semi-massive; f - fine grained; cc- chalcocite; sul sulphides; car carbonate; py pyrite).

Exploration in Other Parts of the Property

Many other known and newly discovered showings were sampled by the Issuer in addition to the Boyes Creek, Lucky Jim and Adam West prospects that were the focus of the Property visit. Some are documented in the Minfile records and others were found along new logging road rock cuts. Most of the exploration work was focused on prospecting and mineralized rock sampling. Systematic geological mapping was not done. The analysed rocks, outside of those from the main showings, were tabulated by the Author in Table 6 and locations shown on Figure 37.

SAMPLE	Northing	Easting	Mineralization	Au	Ag	Cu	Pb	Zn	Fe	Mo	S	As
19222	5568927	711152	5-7% cpy	0.082	10.7	27900	11	128	9.0	0.5	1.6	3
19230	5568704	711355	2-5% bn-cpy	0.054	5.5	26000	2	69	10.0	1.0	0.9	3
19224	5568920	711153	1-3% cpy	0.030	2.9	21900	4	85	8.7	3.0	1.8	14
19166	5570292	709961	1% mal, az	0.071	4.3	17950	1	25	4.1	2.0	0.5	3
19225	5568883	711224	1% cpy	0.026	2.7	15700	3	37	8.3	1.0	0.9	8
19221	5568927	711152	3-5% f cpy	0.089	7	13900	6	118	10.1	1.0	1.0	3
19187	5573850	710368	5% cpy, 1% bn	0.089	2.1	12500	8	117	5.8	0.5	0.8	3
19229	5568704	711355	1% bn-cpy	0.011	2.5	12300	1	85	9.5	1.0	0.5	3
19228	5568716	711319	5% bn	0.097	1.3	12250	1	20	7.9	0.5	0.4	3
19223	5568915	711152	3-5% cpy	0.082	2	11850	5	28	7.8	3.0	0.8	13
19226	5568753	711316	0.5% cpy-bn	0.030	1.9	10200	1	73	8.9	0.5	0.4	3
19172	5568743	711316	min cpy/mal/bn	0.016	1.9	9010	1	54	7.0	0.5	0.4	3
19186	5573850	710368	10% cpy, min bn	0.028	0.7	6710	5	189	8.1	0.5	0.5	3
19167	5574395	709497	2% cpy	0.064	1	5700	1	63	9.2	0.5	0.2	3
19231	5569540	711687	0.5% f cpy	0.009	0.7	4680	1	78	8.3	0.5	0.1	3
19232	5569540	711682		0.019	1.6	4650	1	65	8.7	0.5	0.1	3
19209	5574401	709334	0.5-2% f cpy	0.067	0.25	4590	1	62	8.0	1.0	0.4	3
19213	5573882	709136	1% f cpy	0.006	1	3010	1	198	11.1	1.0	0.3	3
19212	5573854	709126	0.25% bn	0.012	0.9	2400	1	133	7.6	1.0	0.1	3
19215	5573806	709214	0.5% vf cpy	0.039	0.9	1770	1	33	4.8	1.0	0.1	3
19085	5573043	710979	0.1% f cpy, msv p	0.007	1.2	1600	1	76	14.9	10.0	5.6	607
19203	5574075	709480	0.25% bn	0.018	0.25	1210	3	125	10.9	0.5	0.0	3
19165	5570509	710150	0.5% cpy	0.005	0.25	966	4	176	11.3	1.0	0.1	3
19227	5568750	711331	0.5% cpy	0.006	0.7	791	1	125	9.5	0.5	0.1	3
19211	5573905	709144	0.25% bn	0.003	0.6	783	1	102	10.1	1.0	0.0	3
19170	5573678	709407	1% cpy	0.003	0.5	761	1	136	9.0	1.0	0.1	3
19235	5570519	711082	0.25% fg py	0.005	0.6	536	3	73	7.9	1.0	0.5	3
19214	5573882	709136	2% fg cpy	0.006	0.5	529	1	84	5.7	1.0	0.0	3

Table 6. Mineralized samples from "Other" areas within the Property. Samples are those not in close proximity to the 3 mains showings within the Property. The table contains 28 samples with greater than 500 ppm Cu out of the 71 in the "other" dataset. Records are in order of decreasing copper concentration Fe and S are in % all other elements in ppm. S has an analytical maximum of 10% Table compiled by the Author June, 2019.

Analysis of the Adam West Rock Sample Data

In order to analyze the large rock sample data set, the samples were separated into 4 groups on a map of the Property shown in Figure 37, according to proximity to the three main showings, Lucky Jim, Boyes Creek and Adam West, and the remainder of the area. Statistical relationships in the 4 sample datasets are then shown graphically in box plots calculated using GCDkit 4.1 (Janousek et al. 2006) and displayed in Figure 38. The division into the four groups on Figure 37 shows, graphically, differences in the ranges of concentrations, median concentrations and anomalous outliers at each of the 3 showings and the other sample sites. The data for each occurrence group were tabulated in Tables 3 to 6 where capsule descriptions of the mineralization can be compared to the geochemical analyses. For many of the elements such as copper there should be a predictable correlation between field description and analysis, whereas values for silver and gold are less predictable because of the lack of visible Ag and Au minerals. To explore the correlation between elements, a chart of correlation coefficients and graphical binary plots of Au, Ag, Cd, Co, Cu, Fe, Mo, Pb, S, Sb and Zn was constructed in GCDkit 4.1. This is displayed in Figure 39 which is symbolized to indicate samples from the three main showings (Lucky Jim, Adam West and Boyes Creek). Several good correlations are apparent both from high coefficients and from linear patterns in the corresponding binary plots: these include expected correlations such as Ag-Cu (0.73), Cd-Zn (0.94), and Fe-S (0.73). Some of these are common element substitutions such as Cd for Zn in sphalerite and Fe in many sulphide minerals such as pyrite and pyrrhotite, which can be readily identified in samples. Some other high correlations Co-Fe (0.82), Cu-Mo (0.84), Cu-Pb (.77), Mo-Pb (0.73), Ag-Pb (0.66) and Ag-S (0.70) do not have as obvious a link to mineral assemblages and imply associations in the rocks such as chalcopyrite and galena, which were not observed commonly. Co and Fe are both transition metals with some similarities in chemical behaviour in the 2+ state. Molybdenite was not observed in any samples, but using the binary plot of Cu-Mo shows that samples from the Boyes Creek area are responsible for the correlation possibly indicating some chemical substitution. Similarly, examining the binary plots in Figure 39, the Co association with Fe is strongly correlated at the Lucky Jim showing, and to a lesser degree at the Adam West, but not at Boyes Creek.

Important correlations that could be of predictive value include those with gold which include Au-Ag (0.42), Au-Fe (0.35), and Au-S (0.39). Unfortunately, all are relatively weak correlations expressed by only a few samples for the Lucky Jim showing by examination of the binary plots in Figure 23. A higher correlation coefficient for Au and Ag would be obtained from the Lucky Jim data alone, and this is shown in more detailed binary plots.

Binary plots of economically important elements Au, Ag and Cu are shown in Figures 40 and 42. Plotting Au vs Ag on logarithmic scales reveals a strong correlation between Au and Ag at Lucky Jim and a separate strong correlation at different ratios of Ag:Au for Boyes Creek and Adam West indicated by linear trends of points. Check samples at each of the showing fit within the respective fields of variations for the three showings indicating that the check samples are representative of the same material sampled by the Issuer. Average ratios of Ag:Au differ greatly between the two types of mineralization with a 4000:1 ratio in Boyes Creek and Adam West compared to about 4:1 at Lucky Jim. Conversely, Lucky Jim is a much more gold-rich type of mineralization than the others.

A similar relationship is shown in Figure 42 between Cu and Ag, which has a high correlation coefficient of 0.73 for samples from all types of mineralization combined on Figure 39. Like the Ag-Au relationship, there are actually two separate dispersion trends, which when combined lowers the bulk correlation coefficient for Lucky Jim compared to Adam West and Boyes Creek. Lucky Jim samples show a very strong linear trend on the logarithmic graph that is parallel to a mixed trend for the Boyes Creek and Adam West. The difference in trend lines indicates a higher silver to copper ratio in mineralization in Lucky Jim type pyrrhotitepyrite chalcopyrite skarn mineralization than in the copper dominated chalcopyrite – bornite - chalcocite mineral assemblages at Boyes Creek, Adam West and related mineralization in Karmutsen basalts. At Lucky Jim the Cu:Ag ratio of samples is about 500:1, whereas at Adam West and Boyes Creek the average Cu:Ag ratio is about 2500:1. Silver is probably contained as a copper substitution in bornite and chalcocite in the basalt hosted chalcopyrite-bornite-chalcocite assemblage. At Lucky Jim, most silver may be in electrum resulting in the strong correlation with Au and mineralogically associated with pyrrhotite indicated by the Fe-Ag correlation.

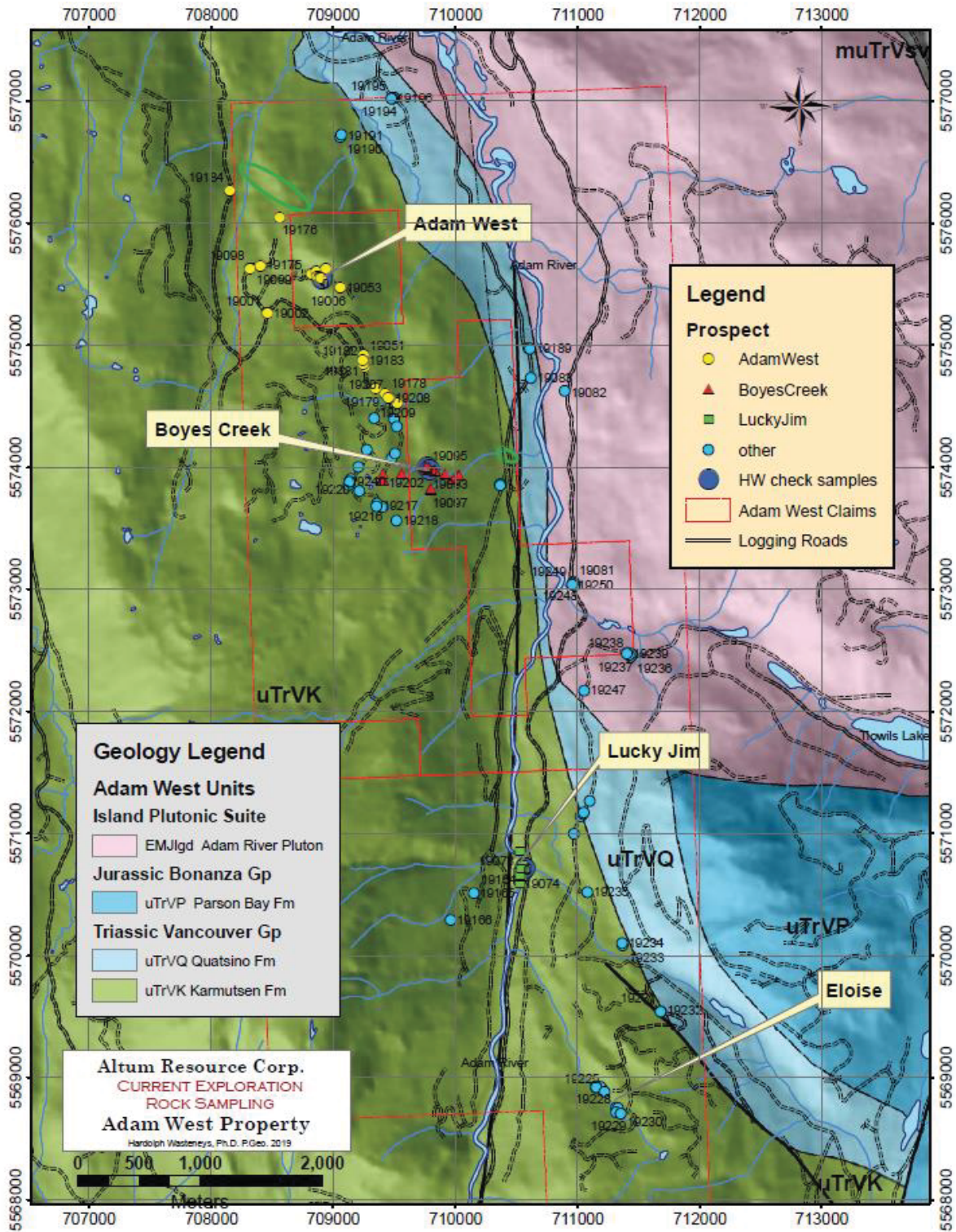


Figure 37. Sample Locations on the Adam West Property Symbols show locations of samples grouped by proximity to the Lucky Jim, Boyes Creek, and Adam West showings. Blue circles are unclassified samples peripheral to the showings, but may be geologically similar. Dark blue circles are the Author's check samples. Drawn in ArcGIS 9.3 by the Author, June, 2019.

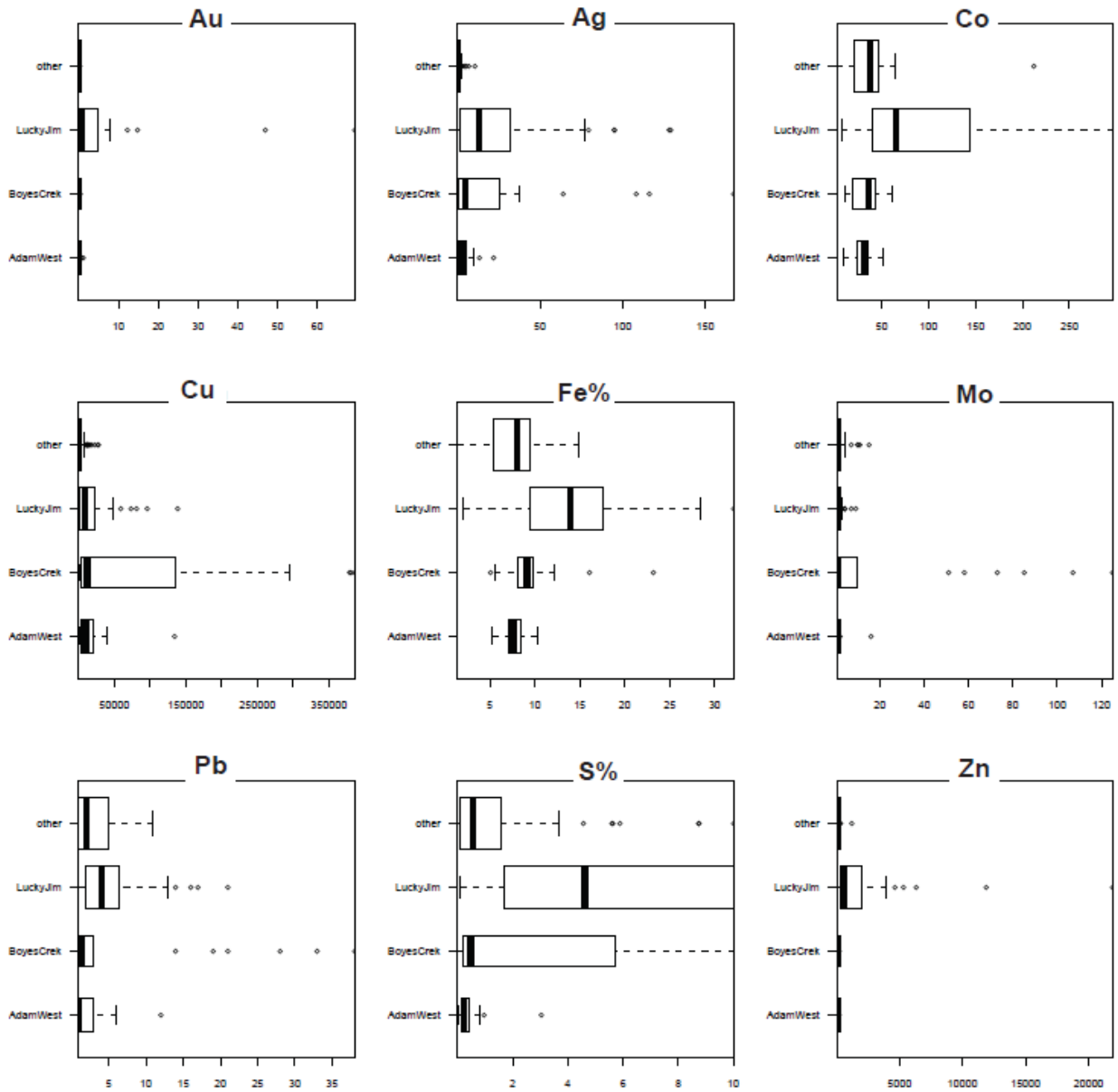


Figure 38. Boxplots for 9 selected elements in the rock data set grouped by occurrence. The boxplots provide a visual profile of the statistical distribution of concentrations of mineralizing elements for each of the Boyes Creek, Adam West, Lucky Jim and other sites. All base axes in ppm appropriate to the range of concentration of each element except S and Fe which are in %. The rectangular "boxes" within each graph enclose the second and third quartiles of samples spanning the Inter Quartile Range ("IQR"); the dark line is the median value, the whiskers either side of the box represent 1.5 time the IQR, and outliers are spots beyond the whiskers. Boxplots drawn in GCDKit 4.1 (Janousek et al., 2006) by the Author June, 2019.

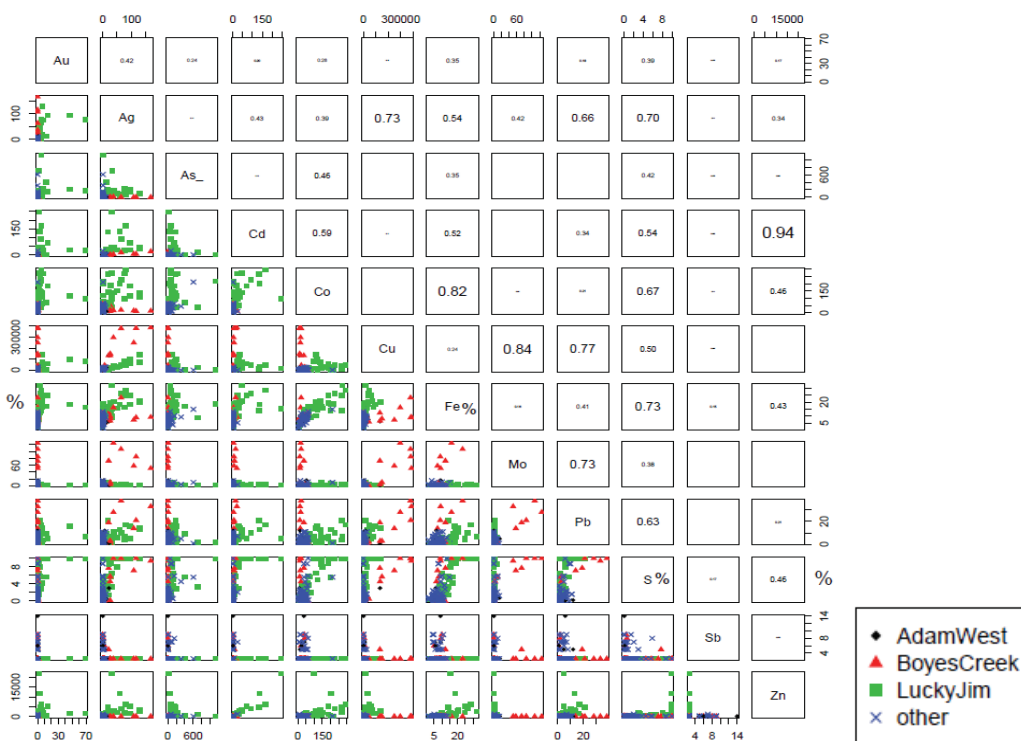


Figure 39. Element Correlation chart for the Adam River rock samples. A selected subset of elemental correlations relevant to mineralization is shown. Axes are in ppm, except S and Fe in %. Symbols in the graphs identify samples from the Adam West, Lucky Jim, and Boyes Creek occurrences indicating similarities and differences in element relationships. Correlation coefficients are shown in the upper right in text size proportional to strength of correlation. For example Cd has very similar chemical behaviour to Zn and has a 0.94 correlation coefficient, but the graph reveals that higher concentrations of Cd and Zn are only observed in the Lucky Jim mineralization. Cobalt (Co) and iron (Fe) are also strongly correlated mainly at Lucky Jim, but one sample from another location fits the trend and may indicate similar mineralization. Copper and Silver are strongly correlated at both Boyes Creek and Lucky Jim, but follow different trends. Calculations and graphing by the author using GCDKit 4.1 (Janousek et al., 2006)

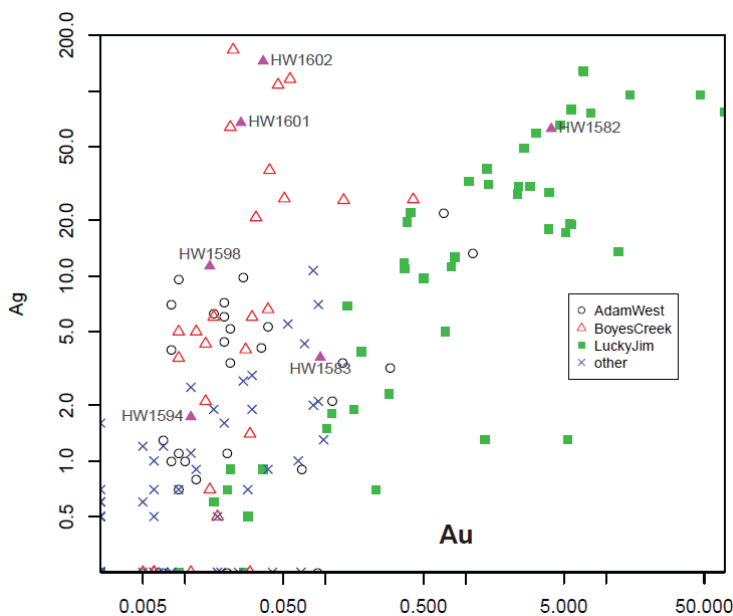


Figure 40. Graph of gold vs silver in rock sample from the Adam West Property. Samples are classified by occurrence using symbols in legend. Concentrations of Au and Ag in ppm are plotted on logarithmic scales.

The Author's check samples are indicated in solid pink triangles. Green squares and check samples HW1582 and HW1583 are samples from Lucky Jim, black open circles and checks HW1594 and HW1598 are from Boyes Creek, and red triangles and checks HW1601 and HW1602 are from Adam West. The blue crosses, "other", are from all areas of the Property outside of the main showings typically rock cuts on logging roads and some other documented showings. Lucky Jim samples show higher Au:Ag ratios forming a distinct field from the other 3 categories. The geochemical data-set shown here is 175 samples collected by Dr. T.N. Setterfield for the Issuer. Field blanks not included in this plot. Graph rendered in GCDkit 4.1 (Janousek et al. 2006) by the Author, June, 2019.

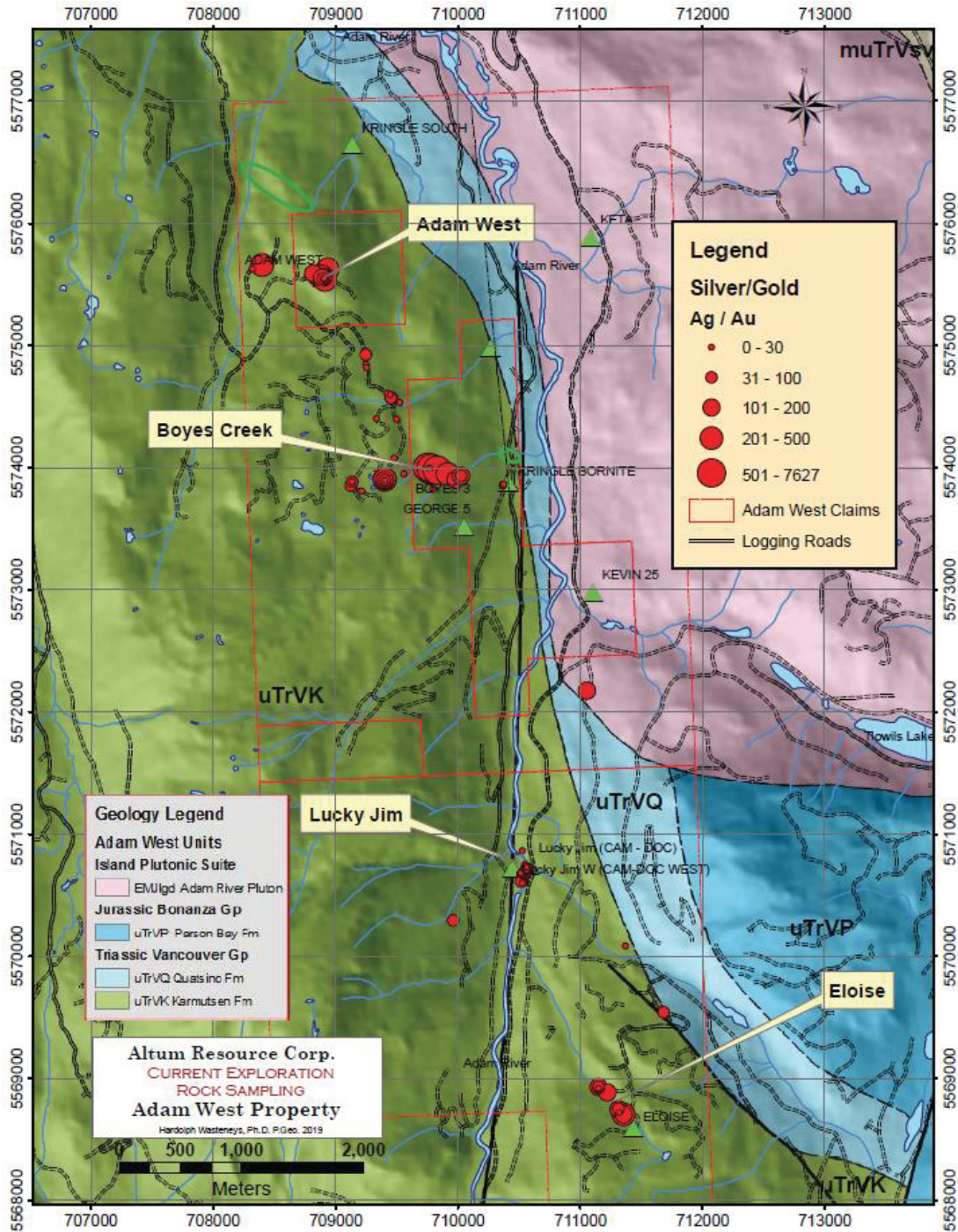


Figure 41. Silver:Gold ratios in samples from the Adam West Property. The diameter of the red symbols indicates intervals of Ag:Au ratio for samples with Au greater than 0.010 ppm from the 175 samples collected

by the Issuer. The cluster at Boyes Creek is the main showing of massive bornite and chalcocite. Map drawn by the Author in ArcGIS 9.3 June 2019.

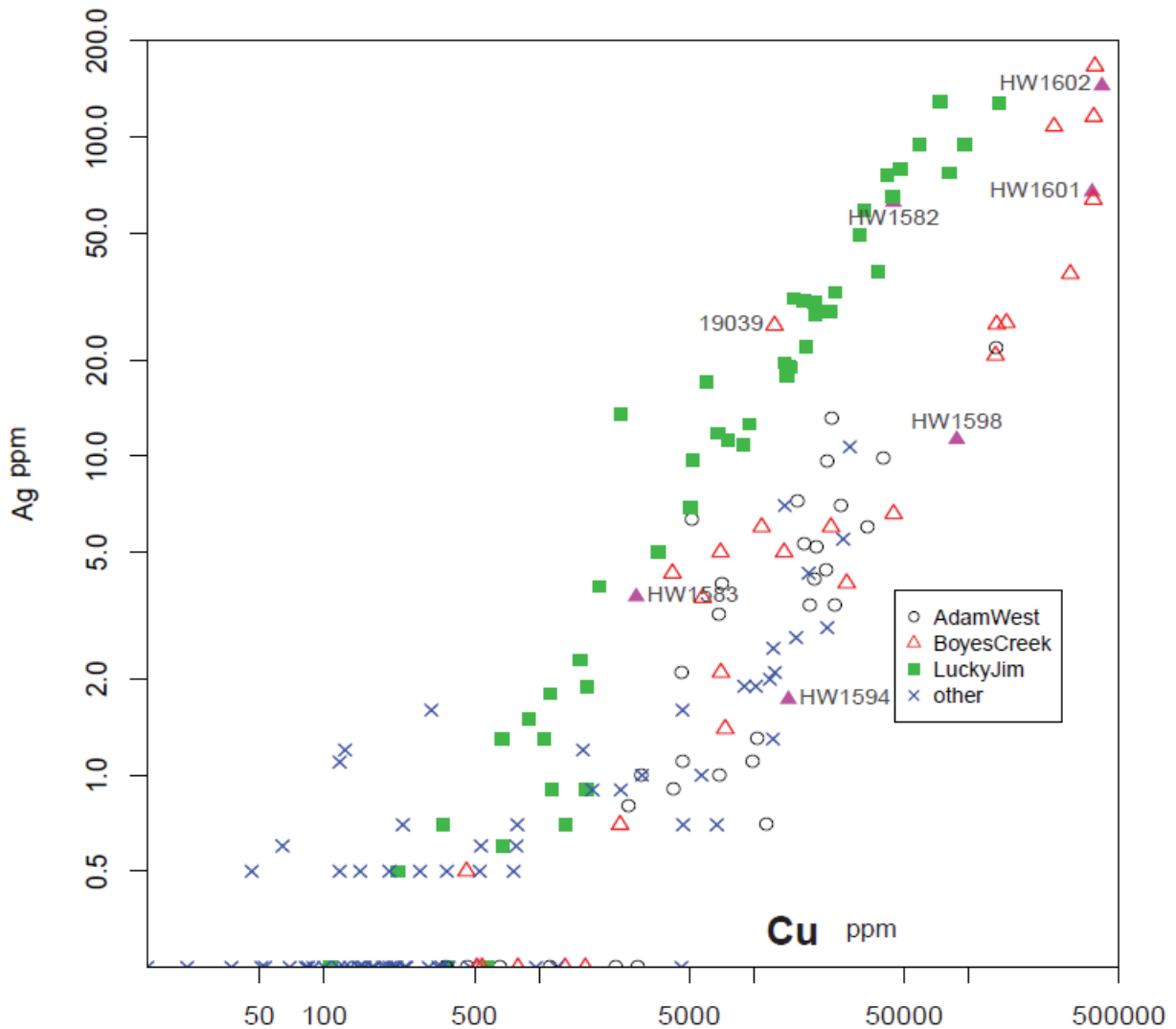


Figure 42. Graph of copper vs silver in rocks from the Adam West Property. Concentrations of Cu and Ag in ppm are plotted on logarithmic scales. The Author's check sample are indicated in solid pink triangles. Green squares and check samples HW1582 and HW1583 are samples from Lucky Jim, black open circles and checks HW1594 and HW1598 are from Boyes Creek, and red triangles and checks HW1601 and HW1602 are from Boyes Creek. The blue crosses, "other", are from all areas of the Property outside of the main showings typically rock cuts on logging roads and some other documented showings. A clear distinction is shown between Lucky Jim Ag:Cu ratios and the other 3 categories. One sample from Boyes Creek anomalously plots in the Lucky Jim field. The geochemical data-set shown here is from the Issuer and included field blanks. Graph rendered in GCDkit 4.1 (Janousek et al. 2006) by the Author June 2019.

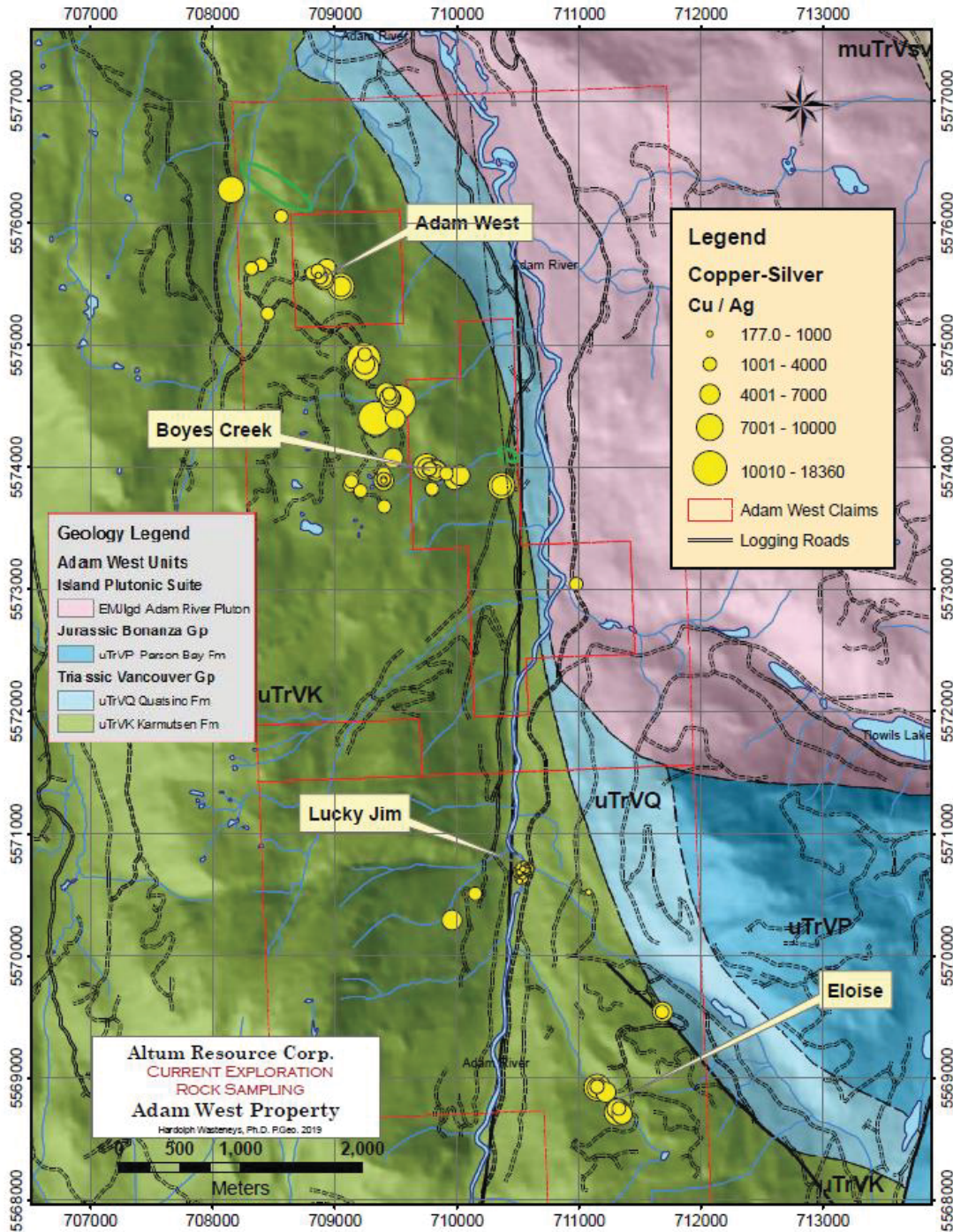


Figure 43. Adam West Property Copper : Silver Ratio in rock samples. The diameter of the yellow symbols indicates intervals of Cu:Ag ratio for samples with Cu greater than 500 ppm from the 175 samples collected by the Issuer. From this it can be seen that much higher Cu:Ag ratios are prevalent in the Boyes Creek and Adam West type of mineralization than at Lucky Jim. Map drawn by the Author in ArcGIS 9.3 (June, 2019).

Induced Polarization Survey At Boyes Creek and Adam West

An Induced Polarization (IP) survey on the Adam West Property was conducted by Peter E. Walcott & Associates ("Walcott") between December 1st and 4th, 2018. The following text is summarized from their report on the survey available as an assessment report (Walcott, 2018).

Survey Specifications

The survey utilized the "Pole-Dipole" method of IP surveying in which all combinations of potential voltages between pairs of 6 potential voltage receivers in an array spaced at 50 m intervals are measured as current is pulsed through a current electrode that is moved on the area. The surveying was carried out using the "pole-dipole" method of survey utilizing a pre-laid receiver array remaining stationary, the current C1 is moved along the survey lines at a spacing of "a" (the dipole) apart, while the second current electrode, C2, is kept constant at "infinity". The distance, "na" between C1 and the nearest potential electrode generally controls the depth to be explored by the particular separation, "n", traverse. On this survey a 50 m dipole separation was utilized and the 1st to 6th separations. A total of approximately 3.5 km of line was surveyed in a NW direction from a creek just south of Boyes Creek to a spot NW of the Adam West showing.

The electrical system IP survey was conducted using a pulse type system, consisting of a GDD® receiver, a Walcer® 10.0 kW transmitter, and a Walcer 20 kW motor generator. The transmitter pulses DC current in two 2 second cycles of current on, then off, then reversed polarity with a maximum of 10 kW relative to ground. The receiver measures the current (I) in amperes flowing through the current electrodes, C1 and C2, the primary voltages (V) between any two potential electrodes, P1 through P5, through each current phase and the apparent chargeability (Ma). Apparent chargeability readings consist of twenty consecutive 50 millisecond readings (totalling 1000 milliseconds) and a 200 millisecond delay. Apparent resistivity (Ohm-meters) is proportional to the ratio of the primary voltage and the measured current and is dependent on the geometry of the electrode array. Chargeability and resistivity are functions of the actual chargeability and resistivity of the rocks.

Data Presentation

The data were presented as individual pseudo section plots of apparent resistivity and apparent chargeability shown in Figure 45A. The data were also subjected to a 2D inversion using a 2-D finite element method in the Geotomo RES2DINV Algorithm and presented as model sections of inverted Chargeability and Resistivity. The inverted data incorporate topographic data, actual GPS station positions and other properties using a model that is iteratively processed to converge on the actual data. The results removed the effect of directional bias in dip of features on the pseudo sections that results from the direction and position of the current electrode with respect to the potential electrode array. The inverted data results are shown in Figure 45B.

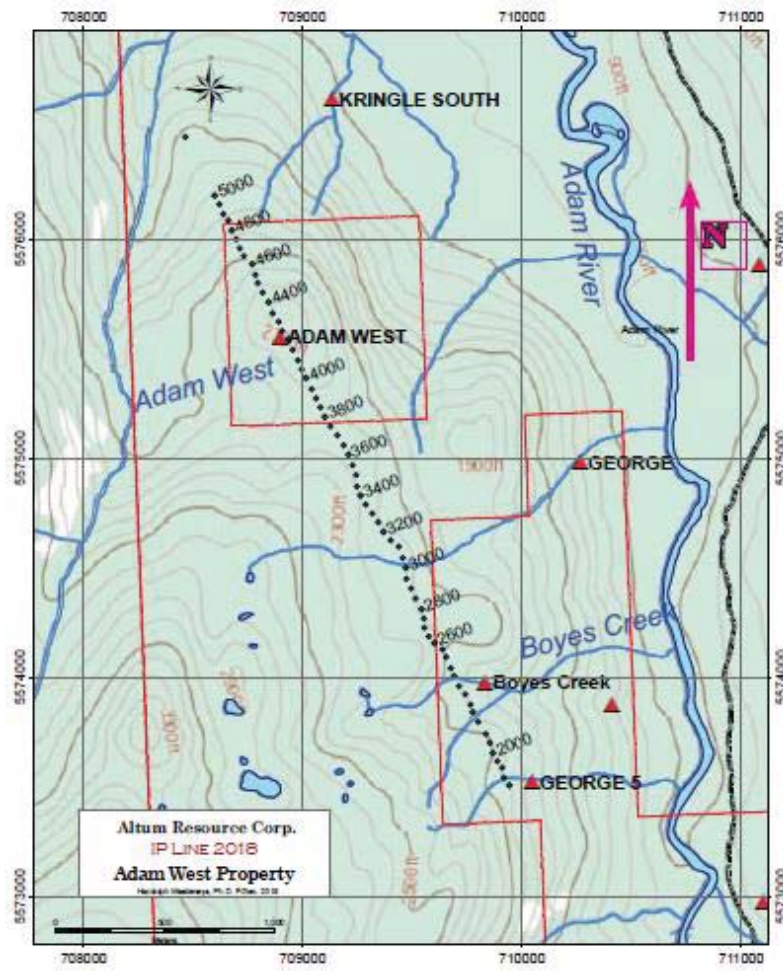


Figure 44. GPS Stations on the 2018 IP survey line Base map is NTS 092L-08 Toporama series. The south branch of Boyes Creek is indicated on the Inversion in Figure 45. Map produced by the Author from GPS files supplied by Walcott (2018).

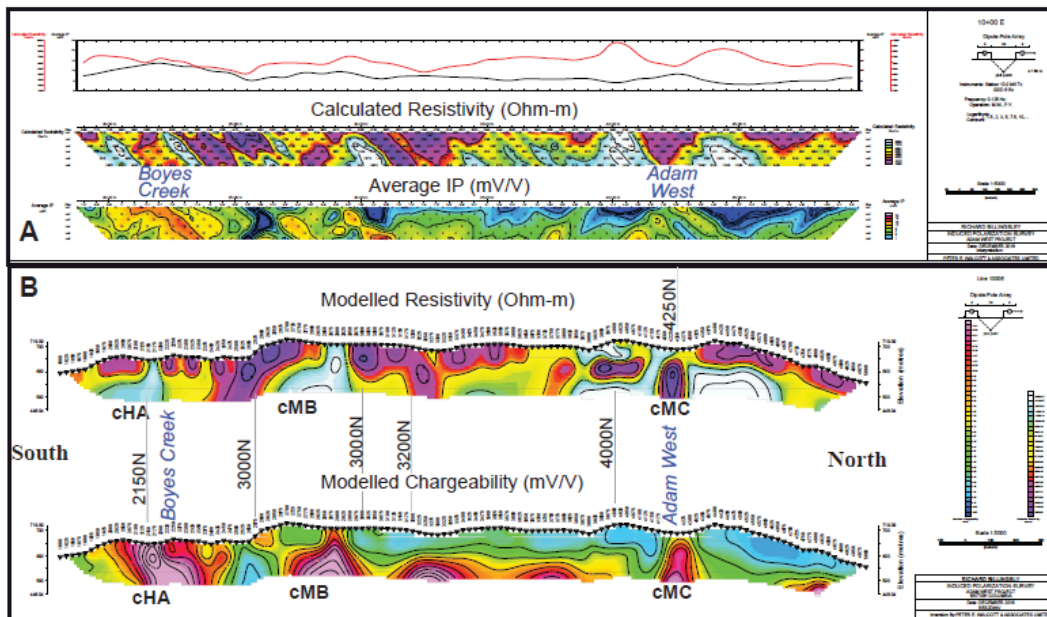


Figure 45. IP Pseudo sections and 2D Inverted Resistivity and Chargeability. Three discrete anomalies are

marked on the inverted sections. Anomaly cHA is situated in the southern portion of the survey line centered at 2150N just south of Boyes Creek. This moderate to high intensity anomaly is associated with elevated resistivity. The core of the anomaly lies between the Boyes Creek and South Creek Showings. Anomaly cMB is situated between 2600N and 3000N. The broad anomaly observed within the inverted results is likely a composite anomaly from several weaker anomalies. Two distinct chargeability anomalies can be observed on the pseudo section at 2700N and 2950N respectively. Between 3200N and 4000N several weak deeper chargeability can be observed however these features cannot be reliably interpreted due to the limited information. Anomaly cMC, is a moderate chargeability zone centered at 4250N. Like Anomaly cMB the anomaly appears to be somewhat disjointed suggesting multiple features whereas the inverted response yields a single body associated with a confined zone of reduced resistivity.

Induced Polarization Survey Results

The inverted resistivity and chargeability section are shown in Figure 45B with interpretation of anomalous data indicated in 3 places cHA, cMB, and cMC. Anomaly cHA corresponds to Boyes Creek and may reflect the bornite and chalcocite mineralized fracture systems that lie on the east side of the creek below a thin, north dipping limestone layer that is the locus of the creek bed. The anomalies at cMB are of less certain origin. The anomaly at cMC corresponds to the location of the Adam West showing and may be a reflection of the chalcopyrite and bornite in amygdules and small fractures that is notable at that location. The survey appears to have detected mineralization at the two showings and may be worth considering for future exploration.

Airborne Magnetometer Survey of the Property

The Issuer contracted Walcott to conduct an airborne magnetometer survey of the full extent of the Property in June 2019. The job was completed on June 14, 2019 and 4 contour maps were delivered including a Total Magnetic Intensity (TMI), First Vertical Derivative (1VD), Tilt Derivative and Analytical Signal.

Airborne Magnetic Survey Specifications

The airborne magnetic survey was conducted using a bird type system towed on a 65 foot line by an A-Star B2 operated by 49 North Helicopters of Campbell River. The bird unit consists of three main components – C-824 Cesium Magnetometer, an AR3000 Laser Range Finder for determining clearance height, and a Garmin 19x GPS unit for recording the track position line and position of readings. The magnetometer has a sensitivity of up to 0.01 nanotesla ("nT") and sampling rates up to 1000 Hz. On this survey a sampling rate of 10 Hz was employed. The bird was connected to data logging units in the helicopter by a shielded multi-conductor cable attached to the tow line. The helicopter pilot navigated the grid lines using a monitor displaying positional data from a Hemisphere R330 GNSS receiver with a 10 Hz update rate. Magnetometer data was recorded using MagLogPro software. The ground station consisted of two GSM 19 Overhauser magnetometers to measure variations in the total intensity of the earth's magnetic field to an accuracy of plus or minus one nT during the period of the survey. The survey coverage consisted of some 93 east-west orientated flight lines and 4 orthogonal tie lines. The survey was carried out with a mean bird height of approximately 55 m.

Data Processing and Presentation

The survey data was processed using Geosoft Oasis Montaj software, utilizing base station data to correct for diurnal magnetic drift and then corrected for positioning errors due to instrument delay (lag). The data from the four tie lines was used to level (adjust) the main flight line data after which the data was "gridded" on a 20 m cell size using Geosoft Bigrid software algorithm. The gridded data was filtered using Geosoft MagMap software module for evaluation and presentation. The magnetic data for the survey is presented as Contours of Total Magnetic Intensity ("TMI"), Contours Calculated First Vertical Derivative ("1VD", and Contours of the Tilt Derivative at a scale of 1:10,000. Results of the TMI and 1VD are presented below for interpretation.

Interpretation

In general, TMI images are negatively affected by increases in clearance height of the sensor above the ground. Within the Property, tall old growth fir trees and steep slopes prevented close profiling compared to open clear cuts and relatively level terrane. This results in over-expression of topographically high bedrock features, which in this case also have known high magnetic susceptibility from direct measurements by Schau (2007, 2008) resulting from the presence of authogenic magnetite in the dominantly basaltic Karmutsen Formation. This effect is partially

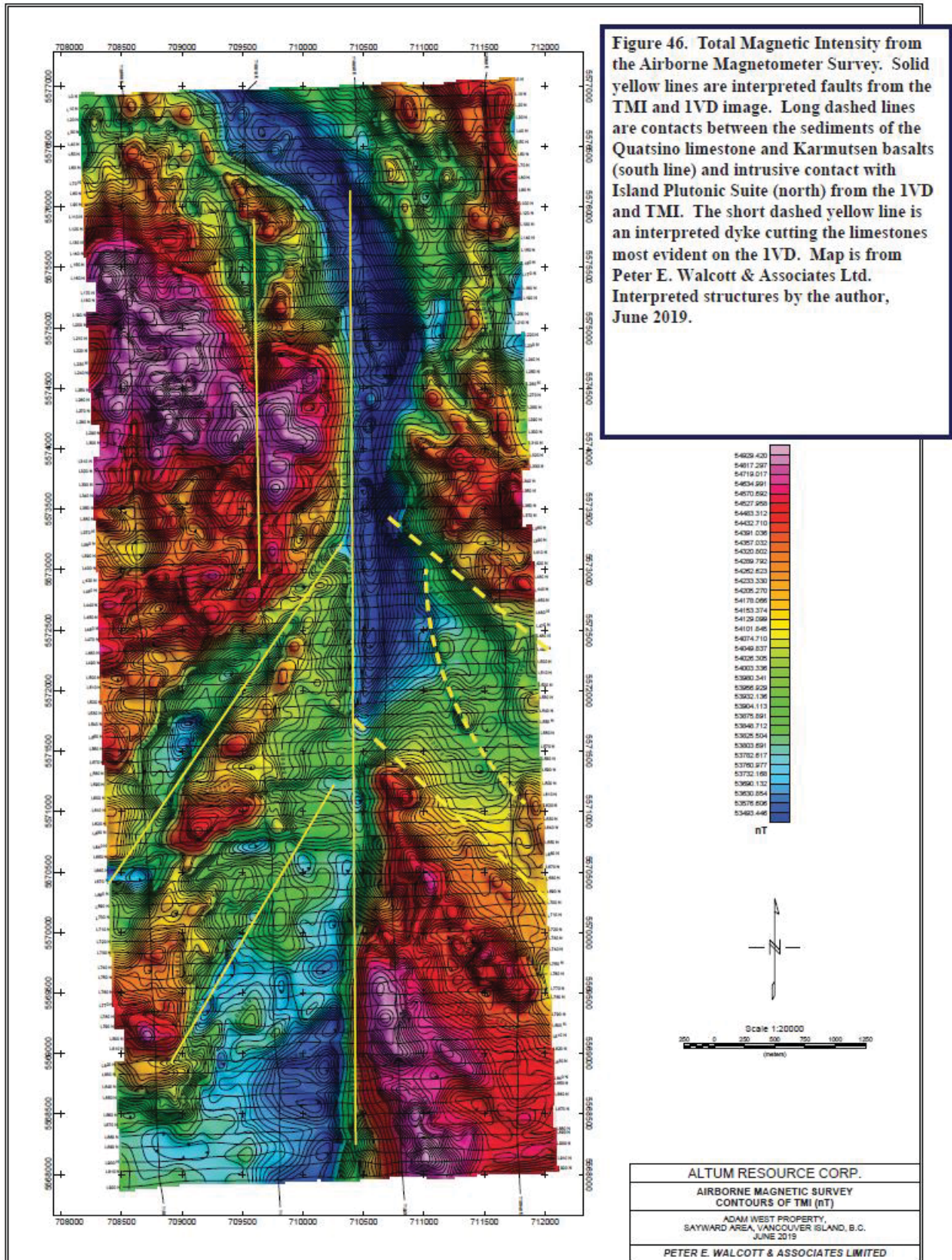
compensated for interpretive purposes by the first vertical derivative image measured in nT/m which displays the gradient of the magnetic field being measured. The most prominent features on the TMI image are two magnetic highs, one in the north on the ridge west of the Adam River and one in the south east of the Adam River. A strong linear magnetic low corresponding to the Adam River areas underlain by Quatsino and Parsons Bay Formation limestone appears to truncate the northern high along a north south line on the TMI. The southern high magnetic zone is juxtaposed against a magnetic low to the west, which also truncates it along a north south line.

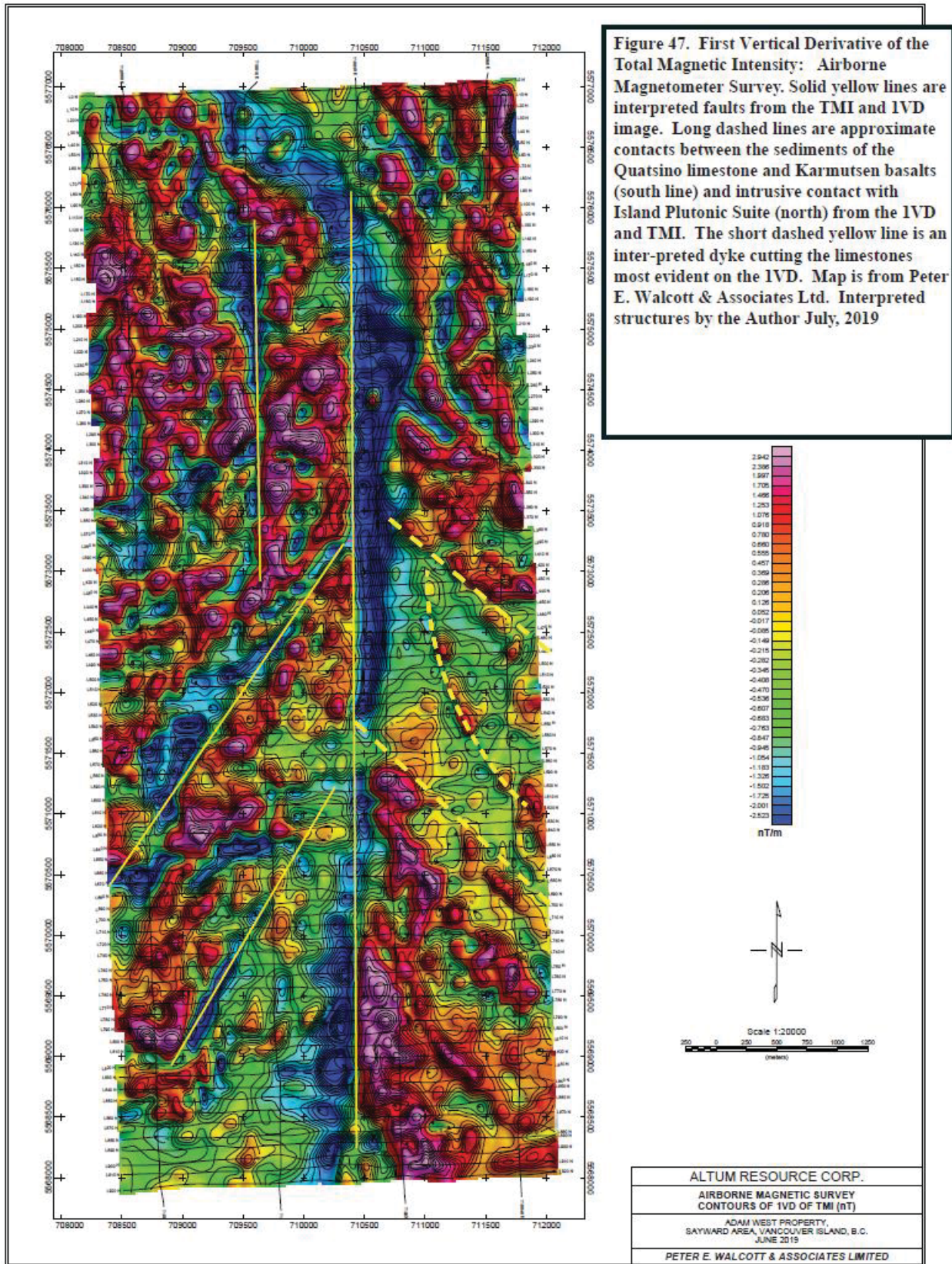
Several structural features are interpreted from the TMI and 1VD images in Figures 46 and 47. The most obvious is a prominent north south fault that is aligned with the Adam River and truncating the magnetic highs. On the geological map this fault is probably a structural contact between Karmutsen basaltic flows on the west and the Quatsino Fm limestone on the east. The Karmutsen strata are shallow dipping to the north northeast while the limestone are variously deformed, but dominantly east dipping. The map pattern on the TMI image of this fault suggests about 5 km of dextral offset if it is assumed that the two magnetic highs on the west and east side of the fault were original contiguous. However, this amount of apparent offset can be readily accommodated by perhaps 1,000 m of actual down-to-the-east dip slip motion because of the shallow north dip of the Karmutsen volcanic flows. The fault appears to be very straight on both the TMI and the 1VD image and aligned sharply with the east side of the northerly magnetic high and the west side of the southerly magnetic high. A subdued north south fault is also apparent about 950 m west of the main fault within the north magnetic high on the TMI image. This feature appears to continue for perhaps 2.5 km.

Northeast oriented faults structures are also apparent on the west side of the Adam River Fault on both the TMI and 1VD image. The most prominent of these NE structures corresponds to a deep cleft in the western ridge that intersects the Adam River midway on within the Property, which would have forced an increased clearance height of the sensor, thus enhancing or creating the magnetic low on the TMI image. However, the feature is more prominent on the 1VD image indicating that it is probably real. Similar features are apparent on the 1VD image to the south of this feature.

North-East directed faults were inferred to be present by Leriche (1971) and are shown on a historical compilation map in Figure 11. However, these inferred structures are not corroborated by structures on either the TMI or 1VD images in Figures 46 or 47.

On the east side of the Adam River Fault a large NW-SE magnetic low that is approximately 2 km wide corresponds to outcrops of Quatsino limestone and overlying Parsons Bay Formation. The south contact has been mapped as conformable with the underlying Karmutsen Formation and the northerly and intrusive contact with the Adam River intrusion, a large area of diorite to granodiorites that has variable magnetic responses. The magnetic low intersects the Adam River Fault in a broad magnetic low that is truncated sharply on the west side at the exact location of the Fault, but the east side continues to the north in the Adam River valley corresponding to the known extent of the Quatsino Formation.





Drilling

Historical exploration diamond drilling has been undertaken at the Adam West and Lucky Jim occurrences on the Property as early as the 1920s. All of the results of the drilling that are available are disclosed under "History" above.

Sample Preparation, Analyses and Security

Geochemical Analyses

The Issuer collected 175 mineralized and significantly altered specimens from several showings previously known or discovered by prospecting and mapping within the Property. Collection sites were clearly marked as observed by the Author in his Property visit and recorded by GPS coordinates and field notes that were compiled in a spreadsheet. Samples were collected into 6 ml plastic sample bags with sample number tags and sealed with plastic zip ties. Locations were recorded by the crew using handheld Garmin GPS units and marked on outcrops with flagging tape. During the exploration program the Issuer's rock samples were stored in locked hotel rooms to prevent public tampering until shipped. Rocks were shipped directly to ALS Canada Ltd ("ALS") on Dollarton Highway in North Vancouver by the Issuer's personnel. Reasonable security measures were taken for the exploration samples, given that none of the results are being relied upon for resource estimates. As a quality control measure, the Issuer inserted 8 field blanks at 20 sample intervals into the sample stream, consisting of pieces of commercially available marble. Soil samples amounted to 64 samples collected entirely around the Lucky Jim occurrence from B and C horizon soils. The Author's field examination included collecting 6 mineralized rocks, 2 from each of 3 main areas (Figure 37). The Author delivered his rock samples directly to ALS.

At the ALS laboratory, the samples were catalogued, dried, crushed, split and pulverized using standard rock and soil preparation procedures. The rocks collected by the Issuer were analysed for 33 elements by ALS protocol ME-ICP61 (Inductively coupled plasma – atomic emission spectroscopy "AES") and for gold by method Au-AA23 using a 30 g split. The Author's field examination rocks were analysed by ALS protocol ME-MS61 (Inductively coupled plasma - mass spectrometric analysis), which provided results for 48 elements at lower detection limits than by ME-ICP61 varying from 1 to 2 orders of magnitude (details in ALS Schedule of Services and Fees). Gold was also analysed by method Au-AA23 from a 30 g split of the pulp. Both protocols, ME-MS61 and ME-ICP61, involve 4 acid dissolution (H₃ClO₄ -HNO₃ - HCl; dry down and re-dissolution in HCl) and common crushing (70% <2 mm), riffle splitting, and pulverizing (85% < 75µm) specifications.

ALS quality control methods included inserting into the laboratory sample stream a series of appropriate certified rock standards that allow a statistical assessment of accuracy relative to established concentrations of various elements. Precision is assessed by the degree of variation of concentrations reported for an element in successive analyses of the same standard and by reanalysis of a small number of randomly selected field samples. Furthermore, ALS inserts a series of blanks in the laboratory analytical stream to detect contamination. Elements that returned concentrations above the analytical limit for ME-ICP61 or ME-MS61 were reanalysed using a sequence of quantitative methods for higher concentrations of base and precious metals as required.

The data provided to the Author by the Issuer included sample site coordinates, material descriptions, site coordinates, and ALS data files and certificates of analysis of all analytical results as well as QA/ QC data. The Author compiled the analytical and sample coordinate data into ArcGIS and checked coordinates for map plotting. The Author's QA/QC review initially involved scanning the laboratory analytical data in tabular form for unusual trends indicative of laboratory cross contamination such as observing high concentrations of an element at the beginning of an analytical series (assuming that samples were run in order) that declined exponentially in successive samples. No unusual trends were observed, which was further confirmed by a lack of significant departure from normal values in the laboratory and marble field blanks.

From reviewing the QA/QC data the Author concluded that the analyses were statistically accurate and precise. It was therefore concluded that the data set results were representative of natural element concentrations in rocks.

In the data compilation in an excel spreadsheet, the Author replaced element concentrations that were reported as below detection limit (e.g. <10 ppm) with a numerical value of half the detection limit (e.g. 5 ppm) to allow numerical processing of the data.

ALS is a certified commercial lab with ISO 9001:2000 certification and no connection to the Issuer or the Author other than a regular service provider - client relationship. The laboratory in North Vancouver has also been accredited to ISO 17025 standards for specific laboratory procedures by the Standards Council of Canada (SCC). ALS is a subsidiary of ALS Global, which is a leading testing, inspection, certification and verification company headquartered in Brisbane, Australia that services multiple industries globally and employs over 13,000 staff in over 65 countries.

The Author acknowledges that reasonable sampling methodology and secure chain-of custody were adequately maintained during the course of the project. As mentioned above, the Issuer's samples were stored in locked facilities until shipped, and the Author's samples were in his custody until directly submitted to ALS personnel. The Author's samples were analysed under the Author's own account at ALS and results delivered directly to the Author. The Author is unaware of any problem with the analytical procedures, field locations, or data handling that would have an adverse affect on the quality of the data that is represented in this report.

Data Verification

The Technical Report includes data from the following categories:

1. Historical exploration data including field geological descriptions, geochemical data for rocks and soils, geophysical data from an Induced Polarization survey and an airborne magnetometer survey.
2. Current exploration data including 175 rock samples from the Property and 64 soil samples from a small survey area on the Property.
3. Current exploration data on an IP survey from a single 3.5 km line on the Property.
4. Current exploration data from a Property-wide airborne magnetometer survey.

The Author reviewed the historical exploration data in assessment reports available in the public domain on the British Columbia Assessment Report Information System and assessed their reliability by their internal consistency with respect to quality controls described and in relation to known geology of the areas surveyed.

The Author verified the Issuer rock geochemical data by analysis of 6 check samples collected from outcrops at significantly mineralized locations reported by the Issuer and shown on Figure 37. Two samples were collected from outcrops judged by the Author to be representative of the showings at Lucky Jim, Adam West and Boyes Creek, and these were analysed by the method with lower detection limits than used by the Issuer at the same laboratory. Results of the Author's check analyses are well within the range of element concentrations obtained in the Issuer's samples. One sample from Boyes Creek (HW1602) exceeded the highest copper concentrations obtained from 33 rocks collected by the Issuer from that showing.

The combined check sample and the Issuer exploration geochemical data was also examined by the Author in statistical plots (box plots and correlation diagrams) and variation diagrams for trends and patterns that might highlight both natural variations and unusual inconsistencies in the individual data points. All of the variations and trends appeared to be of natural origin revealing important aspects of the geology. The data were also examined in binary plots of Au vs Ag (Figure 40) and Cu vs Ag (Figure 42 and Figure 48) that show distinct trends indicative of metal ratios in the deposit type. Figure 42 is reproduced here as Figure 48 with an additional line dividing the main trends of Cu:Ag compositions. Exploration samples for Lucky Jim consistently plotted in a field distinct from samples taken from the Boyes Creek and Adam West showings and the Author's samples fall within the appropriate fields.

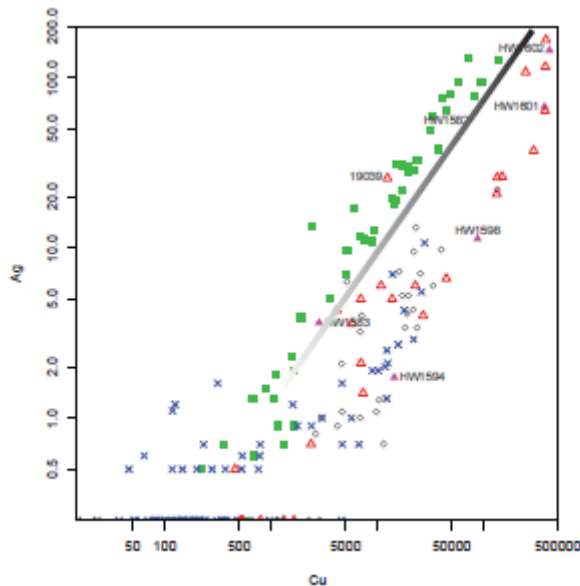


Figure 48. Distinct fields of Cu:Ag in copper-silver binary graph Fields of Cu and Ag are divided by a line in a logarithmic graph of Cu vs Ag (from Figure 42 above). The authors check samples (pink labelled triangles) from Lucky Jim (green squares above the line) and those from Boyes Creek and Adam West (below) fall in the appropriate fields verifying that samples are representative of the showing.

Subsequently, the Author analysed the data by plotting sample stations in a GIS platform and interpreting spatial geochemical variations in the context of previously mapped geology and new observations by the Author. The Author verified the location of the Issuer sample stations observed in the field by comparison with the Author's station coordinates. The Author also checked the coordinate data set for gross errors in location, which revealed 5 non-critical samples plotting well outside the area. These were found to be caused by simple typographic errors in the coordinate data spreadsheet in two cases, and misclassification of UTM zone 10 coordinates as zone 9 in others. Correction of the data was corroborated by communication with Dr. T.N. Setterfield.

Sample coordinates at the Lucky Jim showing were difficult to establish because the spacing between samples generally was much less than the known error in the individual GPS readings for each, which were abnormally high for a lack of line of sight to satellites. The coordinates listed in the data set were the result of relocating the positions of samples from GPS coordinates to logical sites on the map in Figure 11 (Taylor, 1980) and georeferencing the map to a reasonable approximation. The exact geographic positions of these samples are acknowledged by the Issuer to have an unknown degree of accuracy, but relative precision with respect to Taylor's map. The Author checked the georeferencing of the Taylor (1980) map and numerous carefully taken GPS points and concluded that a more accurate positioning could not be achieved without more sophisticated surveying methods. For the present purposes the Author considers the samples are well positioned with respect to geological units in Figures 28 to 30.

The exploration geochemical data (rock and soil samples) are susceptible to natural variations in the local geological environment and the quality of material collected and thus subject to field decisions on sampling, but not critical in resource evaluations. Rock sample data from early stage exploration was also subject to field decisions and requires evaluation of the context of the collected material, if available, by the qualified person.

Geochemical data, incorporated from previous work, were verified by the same procedures as for the current data, by examining QA/QC information where available and generally reviewing the data sets for unusual non-natural trends indicative of lab contamination. As well, where multiple data sets were available using different analytical procedures than being used in the current exploration programs, elements of material interest were cross checked to discern patterns of under- or over-reporting by the different methods. For older data, prior to the advent of certified commercial labs, the data was verified by the Author by comparison with current data.

In the Author's opinion the quality of the data collected is wholly adequate for the purposes of early stage exploration of the Adam West Property as laid out in this Technical Report (pursuant to item 12 (c) of Form NI 43-101 (F1)) within the limitations described by the Author regarding analytical methods used.

The geophysical data was verified by examining the internal consistency of the maps and sections and reading the logistics and methodology reports accompanying the data. The Author also directly communicated with the geophysicist supervising the IP and Magnetometer surveys to inquire about conditions on the surveys, equipment issues, and characteristics such as sensor height.

Mineral Processing and Metallurgical Testing

There has been no historical or recent extraction of rock for the purposes of mineral processing or metallurgical testing undertaken on the Adam West Property.

Mineral Resource Estimates

The Adam West Property is an early stage exploration project; therefore, no mineral resource estimates have been made for the Property.

Adjacent Properties

There are no immediately adjacent/contiguous properties. Few showings on other properties in the region have similarly elevated gold grades as those observed at Lucky Jim. One possible example comparable in assay grades is the Flan and related showings on Schoen Creek in a Property owned by Mikkel Schau about 18 km to the southwest. From Minfile records (Minfile No. 92L 396) the Flan is described as "thin, steep, gold-bearing, vuggy quartz-sulphide veins cutting steeply across a 30 cm wide epidote-chlorite, pyrite, sphalerite and chalcopyrite vein in a fault zone cutting a gabbro sill hosted by Paleozoic cherts. Fine grains of electrum are reported to occur with chalcopyrite and are associated with high gold values. Sampling of vuggy quartz veins in 2001 yielded up to 67.8 g/t gold, 25.7 g/t

silver and 0.554 % copper (Assessment Report 26793). In 2007, sampling of several large boulders, located near the showing, yielded values up to 135.09 g/t gold, 71.4 g/t silver and 4.53 % copper."

The description does not indicate a skarn type of mineralization and the Author has been unable to verify the Minfile information on the Flan and related showings. The mineralization is hosted by cherts that are part of Doanella Beds of the upper Vancouver Group and intruded by sills consanguinous with the overlying Karmutsen Formation. These showings are not considered indicative of mineralization on the Adam West Property, but are the nearest high grade gold occurrence in Minfile records.

The Kringle and associated properties lie to the NW of the Property on the south side of Highway 19. They are reported to host showings in Karmutsen basalts of bornite, chalcocite and chalcopyrite occupying fractures and amygdules. The current properties associated with the Kringle are residual from former properties that included the current Adam West Property. The Author has not been able to verify the information regarding the Kringle and its associated properties. The reader is cautioned that the information regarding the Kringle and its associated properties is not necessarily indicative of the mineralization on the Property.

Report 28747; Schau (2006b); NW of Adam West

Schau had a claim block NW of the Property that is now staked by Rich River Exploration Ltd. as the Red Metal Property. Some high grade copper samples were obtained including 21% Cu noted above, at the Linzer showing and he obtained up to 2.7% Cu in other places. No new information is available yet in assessment reports from Rich River Exploration Ltd. who explored the Red Metal Property in 2018. The Author has not been able to verify the information regarding the Red Metal Property. The reader is cautioned that the information regarding the Red Metal Property is not necessarily indicative of the mineralization on the Property.

Report 33012; Schau (2012)

Schau reported magnetic susceptibility measurements, thin section examination and Terraspec® / PIMA® analyses. All work was completed NW of the present claims in the ground now held by Rich River Exploration as the Red Metal Property.

Other Relevant Data and Information

There is no additional relevant data or information known to the Author that is not disclosed on the Adam West Property.

Interpretation and Conclusions

The Adam West Claims are underlain by tholeiitic basalts of the Triassic Karmutsen Formation, stratigraphically overlying limestones of the Quatsino Fm, and carbonaceous sediments of the Jurassic Parson Bay Formation. These rocks were intruded in the Jurassic by Island Plutonic Suite calc-alkaline plutons that occupy much of the northeastern part of the Property. The Cretaceous and early Tertiary structural compression and extension resulted in block faulting that disrupted strata throughout the region exemplified by a significant fault that runs along the straight north-south reach of the Adam River through the center of the Property. The fault appears as a distinct straight, north trending line on the TMI and 1VD contour maps of the magnetometer survey that truncates the two broad east-west trending magnetic highs underlain by the top of the Karmutsen Formation. The magnetic highs appear offset dextrally and this corresponds to the offset of the contact between the Karmutsen Formation and the overlying Quatsino Limestone. In fact, the offset pattern is probably caused by east side down motion of the fault offsetting the fault-plane trace of the shallow north dipping Karmutsen-Quatsino contact. At the present erosion level, the intersection point of this contact with the line of the fault is offset along the fault by about 5 km, but this can be accommodated by about 800 m of dip-slip motion.

The Lucky Jim prospect is located along the southern section of the fault where both sides of the fault are Karmutsen basalts and thus below the Karmutsen-Quatsino contact. However, there are limestone units of stratigraphic position at Lucky Jim that appear to be block faulted. The limestone is intruded by a north-trending intermediate porphyritic dyke that is also of unknown age. If the limestones are part of the Quatsino Formation it requires the fault to be a graben zone into which a block of Quatsino Formation has dropped. Alternatively, the limestone could be an interflow lens within the Karmutsen Formation such as that which occurs at the Adam West showings. The dyke strikes parallel to the fault zone cutting the limestone unit and resulting in skarn type mineralization. The age and magmatic affiliation

of the dyke are not known. If it is an apophysis of the Adam River Island Plutonic Suite pluton in the NE of the Property then it intruded the limestones prior to the Tertiary extensional fault along which it appears. If contemporaneous with Tertiary faulting then its magmatic affiliation is unknown, but might be related to the Eocene Mount Washington suite of intrusives. Elsewhere this suite of intrusions is commonly associated with porphyry and epithermal types of mineralization including near the summit of Mount Washington. Work completed by the Issuer and previous explorers has already indicated multiple mineralized skarn horizons at Lucky Jim and exploration of these and additional horizons will be important economically.

Mineralization at Boyes Creek and at Adam West is related to late stage prehnite- pumpellyite metamorphism of the volcanic pile that resulted in remobilization of copper and deposition as assemblages of bornite-chalcocite and chalcopyrite in subaerially deposited basalts at higher structural levels of the volcanic pile. The interflow limestone lens Adam West may have acted as a chemical barrier, or precipitation screen that resulted in the characteristic concentration of copper mineralization in amygdule and brittle fractures in the basalts below the limestone. At Boyes Creek, previous work has identified a limestone lens in the fault zone at the bottom of the creek canyon. Some of the lenses at Boyes Creek appear to be hosted by basaltic hyaloclastite that is also indicative of subsidence below sea level. Mineralization has been mainly located in the dip-slope on the east side of the creek of the coextensive fault, but the extent of mineralization down dip to the west and laterally up and down the creek is unknown. At the Adam West showings the limestone is an indicator of a hiatus in subaerial deposition of lavas flows and subsidence below sea level with resumption of volcanism in a shallow submarine setting indicated by the pillowed flows above the limestone. The hiatus may have resulted in significant weathering and fracturing of the flow tops which may have improved redox conditions in the rock to be more receptive to depositing copper minerals.

The risks associated with exploration of the prospects on the Adam West Property are inherent in the deposit types that appear to be present. The Lucky Jim is clearly a metasomatic or skarn type occurrence and skarns are typically discontinuous. Previous exploration drilling at Lucky Jim was relatively unsuccessful in intersecting what appears to be a simple steeply dipping planar mineralized body. However, the high-grade gold-rich polymetallic Lucky Jim mineralization was only tested by drilling to shallow levels in what other workers considered were poorly-conceived drill holes. Hence, historical exploration work may have demonstrated the consequences of a lack of preparatory work.

The risk associated with the interpreted metamorphically remobilized copper deposit type at Boyes Creek and Adam West is that while there is a good theoretical basis for copper mobilization and redeposition in higher subaerial parts of the basalt pile, there is no clear concentrating trap to create an economic ore deposit. Other bornite-chalcocite-chalcopyrite deposits in British Columbia with geological similarities have not proven economically viable although, some such as Sustut, in northern British Columbia have calculated resources. In spite of this risk, copper grades at Boyes Creek are spectacularly high in large samples.

Recommendations

Exploration Priorities

Further exploration work is warranted to fully delineate the geology of the main showings on the Adam West Property and the Author recommends as follows:

1. The Lucky Jim occurrence should be mapped accurately utilizing a high standard of surveying including possible use of drones flown along the river to produce a base map. The various host rocks should be studied to determine the source and mechanism of mineralization, which appears to be related to the felsic dyke intruding limestone. The skarn should be evaluated by lithogeochemistry to determine the affinity of the igneous dykes in order to identify them in other areas.

To evaluate the structure of the Lucky Jim showing as a narrow fault bounded wedge of limestone bordered by a dip slip fault against basalt on both the east, will require precise mapping of the river valley. However, the valley at the site of Lucky Jim is a fairly tight canyon which makes ordinary GPS measurements difficult because valley walls and trees block the line of sight to GPS satellite. Precise geological mapping of the river valley and determining exact locations of the marked samples sites is a prerequisite for generating a structural model. For example, previous diamond drill holes are suspected of being oriented incorrectly on the basis of incorrect assumptions about the dip and extent of the skarn zones and because of topographic compromises that forced poor drill positions.

It is recommended that at least a 300 m stretch of the river valley be mapped. Options for a precise 3-D map base should be investigated and the following should be considered: (i) a drone photo survey that can produce a detailed map possibly with a photographic base; (ii) a standard ground based laser survey possibly with photo draping on 3-D surfaces to aid in mapping; or (iii) use of a highly precise differential GPS unit to relocate sample sites. However, obtaining a precise map base for further geological mapping is the recommended priority. With this in hand a 3-dimensional model of the showing, or at least several interpreted structural cross sections, should be created and the sampling data base augmented. Understanding the type of skarn mineralization could be improved by lithogeochemical study of the porphyry dyke and its altered phases, including the hornfels and the sulphide enriched skarn. Whole rock analyses with complete characterization including REEs on a small suite of skarn and intrusive rocks could reveal the origin of the ambiguous altered phases to an experienced geologist.

Further delineation of the mineralized skarn might be aided by ground based induced polarization or electromagnetic geophysical surveys at the site. This may be difficult because the known mineralization runs parallel to the steep river canyon making it very difficult to run survey lines across strike.

2. Mineralization at Boyes Creek should be mapped using similar precise survey methods such as those suggested at Lucky Jim, but should consider utilizing the highly detailed map of the creek drawn by Sharp (1969). This might be accomplished by surveying a series of precise points from the notable features on the Sharp (1969) map that can also be identified on the ground. Accurate determination of the coordinates of the points may then allow relatively precise rubber-sheet georeferencing of the map and subsequent checking a digitization. A thorough structural interpretation of the Boyes Creek fault and fracture system should be completed to determine if the mineralization is concentrated below a fault or if some chemical trap such as a limestone lens is present in the apparent structure.

3. The Induced Polarization geophysical survey that was conducted across the Boyes Creek and Adam West showings appeared to indicate mineralization at both showings. Expansion of the survey to cover an area around both showings might be used to show continuity of the mineralization to the north below the limestone contact at Adam West and the fault plane at Boyes Creek.

4. As a result of the success of the April 2019 prospecting program in finding numerous, and widespread high grade samples at the three main showings, Lucky Jim, Boyes Creek and Adam West, another program of sampling would be beneficial.

Recommended Program and Budget

A two phase program is recommended for the Adam West Property. Drilling is warranted at Lucky Jim, but only in a second phase program after sufficient structural details are established to guide drilling. Drilling may be warranted at Boyes Creek and Adam West, but this step is contingent on identifying a target amongst the many dispersed, but in some places high grade showings. IP surveys appear to be effective at detecting mineralization at the Adam West and Boyes Creek showings. Effectively, two different deposit types are being explored at the Lucky Jim gold-rich skarn and the combined Boyes Creek - Adam West disseminated copper in basalts showings, respectively.

However, some common exploration techniques are applicable especially for Boyes Creek and Lucky Jim. Precision surveying methods are required to create base maps for geological mapping at Boyes Creek and Lucky Jim. Concurrently, IP surveys could be run at Boyes Creek and the same contractor could run some test surveys at Lucky Jim. The terrane at both showings is a potential obstacle to continuous IP lines transverse to structure, but more of a problem at Lucky Jim where the river also needs to be crossed. An initial IP test line at Lucky Jim might be run along the logging road parallel to the structure and using tight dipole array spacing such as "a" = 25 m measured at n = 1 to 6 separations, which would image to about 150 m depth. A tighter "a" spacing may be warranted and if run along the road with good GPS reception inversion of the data would compensate for curvature of the road facilitating multiple test passes. At Boyes Creek it may be no easier to do IP lines across structure than parallel to it, but it is not yet clear if the mineralized zone is planar, dipping with the top of the flows or if it has any vertical component. An IP survey running several test lines leading to in-fill lines might amount to about 10 line km and take perhaps 10 days to run with a 5 man crew at a cost of perhaps \$42,000 for the contract plus accommodation.

Surveys by one of the methods discussed above should be run concurrently or before the IP survey and would be estimated to take 3 days at an approximate cumulative cost of \$6,000 including digital and paper base maps. With a surveyed map and ground referencing system in place, additional prospecting and precise geological mapping should be undertaken at all the showings. Mapping and prospecting might take two weeks for a geologist and assistant. Involvement in reporting, supervising IP and land survey might add another 10 days for the geological crew. Analyses

of 100 rock samples with a budget about \$48 each amounts to \$4800. Gold analyses are critical at the Lucky Jim showing and should be run by fire assay such as ALS method Au-AA23. At Boyes Creek and Adam West only a few samples have returned gold values of interest and assaying of this type of mineralized rock might dispense with gold, but focus on more precise lower detection limit ICP by mass spectrometric methods rather than AES in order to obtain other associated elements such as tellurium, which may be useful pathfinders.

Exploration by soil sampling has proven less effective in the area as indicated by the lack of responses at Lucky Jim, but the present soil geochemistry was limited by the use of ME-ICP61 rather than lower limits methods such as ME-MS41 which would include a number of potential pathfinder elements as well as semi-quantitative gold. Small orientation surveys should be contemplated at Boyes Creek and Lucky Jim using narrow sample spacings (15 m) and attention to obtaining C horizon soils to avoid disturbed B horizons. At Lucky Jim samples should be collected along a few contours parallel to the river. At Boyes Creek, terrain is an additional challenge and samples should be collected at random sites that have good soils and can be located on the survey plans accurately. The soil sample assays should be examined for potential pathfinder elements that may be more mobile than gold and augment exploration at Lucky Jim. The up-dip (to the south) extent of copper mineralization at Boyes Creek is the target of the soil surveys as well as the IP survey. About 200 soil samples, at an average cost of \$43 each, should be provided for in the budget.

A budget table is presented below showing a cumulative cost for Phase 1 of \$113,505.00

PHASE 1

Expense	No. of Units	Units	Unit cost	Total
Geologist	25	person days	\$1,000	\$25,000
Assistant/pro prospector	25	person days	\$420	\$10,500
Accommodation	16	person days	\$250	\$4,000
IP & mag Survey	10	person days	\$4,130	\$41,300
Mob-Demob Geophysics	2	person days	\$600	\$1,200
Camp/accommodation IP	10	person days	\$200	\$2,000
transport crew	2	person days	2,050	\$4,1000
Geochemistry: soils	200	analyses	\$42.95	\$8,590
Geochemistry: rocks	100	analyses	\$48.15	\$4,815
Surveying	3	Person days	\$2,000	\$6,000
Administration	6	Person days	\$1,000	\$6,000
TOTAL:				\$113,505

Table 7: Budget Table for Phase 1. IP survey budget is based on a 5 man crew covering 6 to 10 line km

USE OF PROCEEDS

Proceeds

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

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

Funds Available

The gross proceeds to the Issuer (excluding proceeds which may be received from the exercise of the Over-Allotment Option) from the sale of the Common Shares offered hereby will be \$350,000. The total funds available to the Issuer at the closing of the Offering, after deducting the estimated expenses of the Offering of \$90,000, the Agent's

Commission of \$35,000 and the balance of the Corporate Finance Fee of \$30,000 and including estimated working capital as at February 29, 2020, of \$103,235, are estimated to be \$298,235.

Principal Purposes

Expenses	Funds to be Used
To pay the estimated cost of the recommended exploration program and the budget on the Adam West Property as outlined in the Technical Report ⁽¹⁾	\$113,505
To pay the amount owing to the Optionors on or before Listing	\$10,000
To provide funding sufficient to meet administrative costs for 12 months	\$88,000 ⁽²⁾
To provide general working capital to fund the Issuer's ongoing operations ⁽³⁾	\$86,730
TOTAL:	\$298,235

Notes:

(1) See "Narrative Description of the Business – Recommendations" above for a summary of the work to be undertaken, a breakdown of the estimated costs and the nature of title to, or the Issuer's interest in, the Adam West Property.

(2) The Issuer anticipates that \$30,000 will be paid as consulting fees to a private company. See the "Administrative Expenses" table below.

(3) The Issuer intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. In the event of exercise of the Over-Allotment Option, the Issuer will use the proceeds for general working capital.

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

Administrative Expenses	Funds to be Used
Office Rent	\$12,000
Management and Administration Services	\$36,000
Miscellaneous Office and Supplies	\$6,000
Transfer Agent	\$4,000
Legal	\$5,000
Accounting and Audit	\$25,000
TOTAL:	\$88,000

Since its incorporation on February 20, 2019, the Issuer has not generated cash flow from its operations and has incurred certain operating losses. Such losses and negative operating cash flow are expected to continue since funds will be expended to pay its administrative expenses and to conduct the recommended exploration program on the Adam West Property. Although the Issuer has allocated \$88,000 (as above) from the Offering to fund its ongoing operations for a period of 12 months, thereafter, the Issuer will be reliant on future equity financings for its funding requirements, including in respect of future exploration work that may be conducted on the Property, depending on results of the recommended exploration program.

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

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

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

Stated Business Objectives and Milestones

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

- (a) obtain a listing of its Common Shares on the Exchange; and
- (b) conduct the Phase 1 exploration program on the Adam West Property recommended in the Technical Report.

The listing of the Common Shares on the Exchange is subject to the Issuer fulfilling all of the requirements of the Exchange and is expected to occur shortly before completion of the Offering. Upon completion of the Offering, the Phase 1 exploration program is expected to be conducted in the spring of 2020, depending on the weather.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

Financial Information

The Issuer was incorporated in the province of British Columbia on February 20, 2019. The following table summarizes selected information from the Issuer's audited financial statements for the period ended July 31, 2019.

	Three Month Period Ended October 31, 2019 (unaudited)	Period Ended July 31, 2019 (audited)
Total revenues	Nil	Nil
Exploration expenditures	Nil	\$97,524 ⁽¹⁾
Consulting fees	\$7,500	\$13,214
Professional fees	Nil	\$25,510
General and administrative expenses	\$54	\$4,048
Rent	\$1,500	\$2,643
Share-based compensation	Nil	\$30,000
Net Loss	(\$9,054)	(\$75,415)
Basic and diluted loss per common share	(0.00)	(0.01)
Total assets	\$245,232	\$262,664
Long-term financial liabilities	Nil	Nil
Cash dividends per share	Nil	Nil

Notes:

- (1) Approximately \$84,533 of the exploration expenditures constitute qualifying expenditures within the meaning of the CSE Policy 2 *Qualifications for Listing*.

Dividends

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

Management's Discussion and Analysis

The following discussion of the operating results and financial position of the Issuer should be read in conjunction with the unaudited financial statements and related notes for the three month period ended October 31, 2019 and the

audited financial statements and related notes for the period ended July 31, 2019. The financial statements are included in this Prospectus under Schedule "B" and should be referred to when reading this disclosure. The financial statements summarize the financial impact of the Issuer's financings, investments and operations, which financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following Management's Discussion and Analysis ("MD&A") is quoted in Canadian dollars. The effective date of this MD&A is March 5, 2020.

The Issuer is not a reporting issuer and was not required to prepare interim financial statements, therefore, other than for the three month period ended October 31, 2019, quarterly results are not available.

Three Month Period ended October 31, 2019

During the three month period ended October 31, 2019, the Issuer reported nil revenue and a net loss of (\$9,054) (\$0.00 per common share). The Issuer incurred \$54 for office expenses and \$1,500 for rent during the financial period. The Issuer also paid the aggregate amount of \$7,500 in consulting fees to European Business Center – North America, a division of Dynamis Capital Corp., an arm's length private company pursuant to a management services agreement, under which agreement European Business Center – North America provides certain services to the Issuer, which services include, but are not limited to, the provision of all day-to-day services required by the Issuer including liaising with the Issuer's accounting and legal representatives, general administrative services, financial management and other secretarial support and such other services as the Board of Directors or management of the Issuer may request.

In the three month period ended October 31, 2019, the Issuer did not receive any proceeds for shares issued and did not incur any share-based payments.

As of the date of this Prospectus, the Issuer has granted 1,020,000 stock options, each option exercisable for one common share at a price of \$0.10 per share to its directors, officers and a consultant.

Period ended July 31, 2019

During the financial period ended July 31, 2019, the Issuer reported nil revenue and a net loss of (\$75,415) (\$0.01 per Common Share). The Issuer incurred \$25,510 for professional fees, \$4,048 for office expenses and \$2,643 for rent during the financial period. The Issuer also paid an aggregate amount of \$13,124 in consulting fees to European Business Center – North America, a division of Dynamis Capital Corp., an arm's length private company pursuant to a management services agreement, under which agreement European Business Center – North America provides certain services to the Issuer, which services include, but are not limited to, the provision of all day-to-day services required by the Issuer including liaising with the Issuer's accounting and legal representatives, general administrative services, financial management and other secretarial support and such other services as the Board of Directors or management of the Issuer may request.

During the financial period ended July 31, 2019, the Issuer incurred exploration expenditures in the aggregate amount of \$97,524 which was comprised of a \$5,000 initial payment to the Optionors pursuant to the Property Option Agreement, \$7,991 for preparation of the Technical Report and \$84,533 for sampling work conducted on the Adam West Property and the geochemical analysis of such samples. Please see "Liquidity and Capital Resources" below for further information.

The Issuer received \$276,001 in gross proceeds for shares issued, all of which was received for shares issued in the period ended July 31, 2019. The Issuer issued 2,000,000 Common Shares to directors and officers of the Issuer at a price of \$0.005 per share for gross proceeds of \$10,000. The fair value of the 2,000,000 Common Shares was estimated to be \$40,000. As a result, the Issuer recorded share-based compensation of \$30,000 and a corresponding increase to contributed surplus. Further particulars of the proceeds received for shares issued can be found under "Prior Sales" below.

Liquidity and Capital Resources

Three Month Period ended October 31, 2019

During the first year after completion of this Offering, the Issuer estimates that the aggregate annual cost of general administration for its operations will be approximately \$88,000. See "Use of Proceeds" above. The net proceeds from

the Offering should be sufficient to fund the Issuer's operations for at least a period of 12 months. There are no other capital expenditures to be incurred by the Issuer during the period.

The Issuer does not yet generate positive cash flow from operations and is therefore reliant upon the issuance of its Common Shares to fund its operations. As of October 31, 2019, its capital resources consisted of a cash balance of \$142,271 and amounts receivable of \$2,937. The Issuer also had an accounts payable balance of \$23,700. The Issuer expects that it will be able to meet its current obligations as they come due with its existing cash and other receivable balances.

The Issuer's sole property is the Adam West Property located near Sayward, British Columbia, consisting of five contiguous mineral claims. The Issuer has the option of acquiring a 100% interest in the Adam West Property, subject to a 1.8% GSR royalty, as set out in the Property Option Agreement (see "General Development of the Business" above). The Issuer did not incur any exploration and evaluation asset expenditures during the period ended October 31, 2019. In order to exercise the Option under the Property Option Agreement, the Issuer is required to pay \$10,000 on or before the Listing Date, and thereafter is not required to make any exploration expenditures on the Adam West Property or make further payments of cash installments to the Optionors until 12 months after the Listing Date of the Common Shares under this Offering. For a summary of the Issuer's payment and exploration expenditure obligations under the Property Option Agreement, see "General Development of the Business" above. In order to meet future exploration commitments and cash payments, the Issuer will require additional capital resources.

As of February 29, 2020, the Issuer had a working capital of \$103,235. The Issuer expects to incur losses for at least the next 24 months and there can be no assurance that the Issuer will ever make a profit. To achieve profitability, the Issuer must advance the Adam West Property through further exploration in order to bring the Adam West Property to a stage where the Issuer can attract the participation of a major resource company, which has the expertise and financial capability to place such property into commercial production.

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

Period ended July 31, 2019

The Issuer does not yet generate positive cash flow from operations and is therefore reliant upon the issuance of its Common Shares to fund its operations. As of July 31, 2019, its capital resources consisted of a cash balance of \$162,653 and amounts receivable of \$2,487. The Issuer also had an accounts payable balance of \$32,078. The Issuer expects that it will be able to meet its current obligations as they come due with its existing cash and other receivable balances.

The Issuer's sole property is the Adam West Property located near Sayward, British Columbia, consisting of five contiguous mineral claims. The Issuer has the option of acquiring a 100% interest in the Adam West Property, subject to a 1.8% GSR royalty, as set out in the Property Option Agreement (see "General Development of the Business" above). During the period ended July 31, 2019, the Issuer incurred \$97,524 in exploration and evaluation asset expenditures comprised of a \$5,000 initial payment to the Optionors pursuant to the Property Option Agreement, \$7,991 for preparation of the Technical Report and \$84,533 for sampling work conducted on the Adam West Property and the geochemical analysis of such samples. In order to exercise the Option under the Property Option Agreement, the Issuer is required to pay \$10,000 on or before the Listing Date, and thereafter is not required to make any exploration expenditures on the Adam West Property or make further payments of cash installments to the Optionors until 12 months after the Listing Date of the Common Shares under this Offering. For a summary of the Issuer's payment and exploration expenditure obligations under the Property Option Agreement, see "General Development of the Business" above. In order to meet future exploration commitments and cash payments, the Issuer will require additional capital resources.

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

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized share capital of the Issuer consists of an unlimited number of common shares without par value. As of the date of this Prospectus, 10,200,001 Common Shares were issued and outstanding as fully paid and non-assessable shares.

Common Shares

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

Compensation Options

The Issuer has also agreed to grant to the Agent, Compensation Options entitling the Agent to purchase that amount of Common Shares as is equal to 10% of Common Shares to be issued pursuant to this Offering, with an exercise price that is equal to the Offering Price.

Additional Common Shares

The Issuer has also agreed to issue 100,000 Corporate Finance Fee Shares to the Agent as part of the Corporate Finance Fee (see "Plan of Distribution" below) and 100,000 Common Shares to the Optionors on the Listing Date in respect of the Adam West Property. See "General Development of the Business" above and "Plan of Distribution" below.

CONSOLIDATED CAPITALIZATION

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

Description	Authorized Amount	Authorized at the date of this Prospectus	Outstanding as at October 31, 2019 (Unaudited)	Outstanding as at July 31, 2019 (Audited)	Outstanding at the date of this Prospectus (Unaudited)	Outstanding after giving effect to this Offering (Unaudited) ⁽¹⁾⁽²⁾
Common Shares	Unlimited	Unlimited	10,200,001	10,200,001	10,200,001	13,900,001
Long Term Debt	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

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

Shares issuable on exercise of the Compensation Options and Over-Allotment Option are not reflected in these figures.

(2) Includes the 100,000 Common Shares to be issued to the Optionors in respect of the Adam West Property and the 100,000 Corporate Finance Fee Shares to be issued to the Agent as part of the Corporate Finance Fee, but does not include any Common Shares issued upon any exercise of the Over-Allotment Option (up to 525,000 additional Common Shares) or the exercise of any stock options granted under the Stock Option Plan.

OPTIONS TO PURCHASE SECURITIES

The Stock Option Plan was approved by the Issuer's directors on November 16, 2019. The purpose of the Stock Option Plan is to assist the Issuer in attracting, retaining and motivating directors, officers, employees and consultants (together "eligible persons") of the Issuer and of its affiliates and to closely align the personal interests of such eligible persons with the interests of the Issuer and its shareholders.

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

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

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

Options may be granted under the Stock Option Plan to such eligible persons of the Issuer and its affiliates, if any, as the Board may from time to time designate, including, but not limited to directors, senior officers, employees of the Issuer, consultants (as defined in National Instrument 45-106 – *Prospectus Exemptions*), employees of an external management company or a corporation controlled by a consultant of the Issuer and its subsidiaries, or an eligible charitable organization. The exercise prices shall be determined by the Board, but shall, in no event, be less than the greater of the closing market price of the Issuer's shares on the Exchange on (i) the trading day prior to the date of grant of the Options and (ii) the date of grant of such Options.

The Stock Option Plan provides that after the Listing Date, the number of Common Shares issuable on the exercise of options granted to all persons together with all of the Issuer's other previously granted options may not exceed 10% of the Issuer's issued and outstanding Common Shares on a non-diluted basis, from time to time. In addition, the number of Common Shares, which may be reserved for issuance within a one-year period: (i) to any one individual upon the exercise of all stock options held by such individual, may not exceed 5% of the Common Shares issued and outstanding on the grant date, on a non-diluted basis, unless otherwise approved by disinterested shareholders of the Issuer, (ii) to any one consultant may not exceed 2% in the aggregate of the total number of Common Shares issued and outstanding on the grant date on a non-diluted basis, or (iii) to all persons who undertake Investor Relations Activities (as defined in the CSE policies) may not exceed 1% in the aggregate of the total number of issued and outstanding Common Shares on the grant date on a non-diluted basis. Subject to earlier termination in the event of dismissal for cause, early retirement, voluntary resignation or termination other than for cause, or in the event of death or disability, all options granted under the Stock Option Plan will expire on the date set by the Board as the expiry date of the option, which expiry date shall not be more than 10 years from the date that such options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession. Options are exercisable by an eligible person under the Stock Option Plan delivering to the Issuer a notice specifying the number of Common Shares in respect of which the option is exercised together with payment in full of the option price.

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

Name of Optionee	Designation of Securities under Option	Number of Common Shares under Option	Exercise price per Common Share	Expiry Date
All executive officers and past executive officers as a group (2 persons)	Common Shares	620,000	\$0.10	November 16, 2024
All directors and past directors who are not also executive officers as a group (2 persons)	Common Shares	300,000	\$0.10	November 16, 2024
All consultants of the Issuer (1 person)	Common Shares	100,000	\$0.10	November 16, 2024

Compensation Options

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

PRIOR SALES

The following table summarizes the sales of securities of the Issuer for the 12 month period prior to the date of this Prospectus:

Issue Date	Price Per Common Share	Number of Common Shares Issued	Proceeds to the Issuer
February 20, 2019	\$1.00	1	\$1.00
March 28, 2019	\$0.005	2,000,000	\$10,000.00
April 2, 2019	\$0.02	1,000,000 ⁽¹⁾	\$20,000.00
April 17, 2019	\$0.02	3,100,000 ⁽²⁾	\$62,000.00
May 7, 2019	\$0.02	700,000	\$14,000.00
June 14, 2019	\$0.05	2,000,000	\$100,000.00
July 30, 2019	\$0.05	1,400,000	\$70,000.00
TOTAL:		10,200,001	\$276,001.00

Note:

(1) Of which 1,000,000 shares were issued as flow-through Common Shares.

(2) Of which 3,100,000 shares were issued as flow-through Common Shares.

ESCROWED SECURITIES

Escrowed Securities

Under the applicable policies and notices of the Canadian Securities Administrators, securities held by Principals (as defined below) are required to be held in escrow in accordance with the escrow regime applicable to initial public distributions. Equity securities, including Common Shares, owned or controlled by the Principals of the Issuer are subject to the escrow requirements set out in National Policy 46-201 – *Escrow for Initial Public Offerings*.

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

- (a) directors and senior officers of the Issuer, as listed in this Prospectus;
- (b) promoters of the Issuer during the two years preceding this Offering;
- (c) those who own and/or control more than 10% of the Issuer's voting securities immediately after completion of this Offering if they also have appointed or have the right to appoint a director or senior officer of the Issuer or of a material operating subsidiary of the Issuer;
- (d) those who own and/or control more than 20% of the Issuer's voting securities immediately after completion of this Offering; and
- (e) associates and affiliates of any of the above.

The Principals of the Issuer are James Walchuck, Blaine Bailey, Stuart Ross and Twila Jensen.

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

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

- (a) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Issuer or of a material operating subsidiary, with approval of the Board of Directors;
- (b) transfers to a person or company that before the proposed transfer holds more than 20% of the voting rights attached to the Issuer's outstanding securities;
- (c) transfers to a person or company that after the proposed transfer will (i) hold more than 10% of the voting rights attached to the Issuer's outstanding securities; and (ii) has the right to elect or appoint one or more directors or senior officers of the Issuer or any of its material operating subsidiaries;
- (d) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children or parents;
- (e) transfers upon bankruptcy to the trustee in bankruptcy;
- (f) pledges to a financial institution as collateral for a loan, provided that upon a realization the securities remain subject to escrow; or
- (g) tenders of Escrowed Securities to a take-over bid are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

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

Name	No. of Escrowed Common Shares ⁽¹⁾⁽²⁾	Percentage of Common Shares (After Giving Effect to the Offering) ⁽³⁾⁽⁴⁾⁽⁵⁾
James Walchuck ⁽⁶⁾	1,800,001 owned beneficially and of record	12.95%
Blaine Bailey ⁽⁷⁾	300,000 owned beneficially and of record	2.16%
Twila Jensen ⁽⁸⁾	100,000 owned beneficially and of record	0.72%

Notes:

- (1) Such Common Shares have been deposited in escrow with the Escrow Agent.
- (2) Pursuant to an escrow agreement (the "Escrow Agreement") dated effective December 10, 2019, among the Issuer, the Escrow Agent and the Principals of the Issuer, the Principals agreed to deposit in escrow their Common Shares (the "Escrowed Securities") with the Escrow Agent. The Escrow Agreement provides that 10% of the Escrowed Securities will be released from escrow upon the Listing Date and that, where there are no changes to the Common Shares initially deposited and no additional Escrow Securities, the remaining Escrowed Securities will be released in equal tranches of 15% every 6-month interval thereafter, over a period of 36 months.
- (3) Does not include exercise of Compensation Options or Over-Allotment Option.
- (4) Includes the 100,000 Corporate Finance Fee Shares and the 100,000 Common Shares to be issued to the Optionors; in result, the aggregate number of issued and outstanding Common Shares after completion of the Offering would total 13,900,001 Common Shares.
- (5) Assumes that none of the principal shareholders purchase any Common Shares under the Offering.
- (6) Mr. Walchuck will hold 13.84% of the Common Shares on a fully-diluted basis and after giving effect to the Offering, the issuance of the Corporate Finance Fee Shares, the 100,000 Common Shares to the Optionors, the exercise of all 1,020,000 stock options, the exercise of all 402,500 potential Compensation Options (assuming the exercise of the Over-Allotment Option) and the Over-Allotment Option.
- (7) Mr. Bailey will hold 4.02% of the Common Shares on a fully-diluted basis and after giving effect to the Offering, the issuance of the Corporate Finance Fee Shares, the 100,000 Common Shares to the Optionors, the exercise of all 1,020,000 stock options, the exercise of all 402,500 potential Compensation Options (assuming the exercise of the Over-Allotment Option) and the Over-Allotment Option.
- (8) Ms. Jensen will hold 1.47% of the Common Shares on a fully-diluted basis and after giving effect to the Offering, the issuance of the Corporate Finance Fee Shares, the 100,000 Common Shares to the Optionors, the exercise of all 1,020,000 stock options, the exercise of all 402,500 potential Compensation Options (assuming the exercise of the Over-Allotment Option) and the Over-Allotment Option.

Shares Subject to Resale Restrictions

Those securities which are issued to the Agent and which do not constitute Qualified Compensation Securities will be subject to a four month and one day hold period, in accordance with applicable securities laws.

PRINCIPAL SHAREHOLDERS

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

Prior to the Offering			After Giving Effect to the Offering		
Name	Number of Common Shares Owned Directly or Indirectly	Percentage of Common Shares Held	Number of Common Shares Beneficially Owned Directly or Indirectly	Percentage of Common Shares Held ⁽¹⁾⁽²⁾	Percentage of Common Shares Held ⁽³⁾
James Walchuck	1,800,001 owned beneficially and of record	17.65%	1,800,001 owned beneficially and of record	12.95%	13.34% ⁽⁴⁾

Notes:

- (1) Does not include exercise of Compensation Options or the Over-Allotment Option.
(2) Includes the 100,000 Corporate Finance Fee Shares and the 100,000 Common Shares to be issued to the Optionors.
(3) On a fully-diluted basis, assuming completion of the Offering, the issuance of the Corporate Finance Fee Shares, the issuance of the 100,000 Common Shares to the Optionors, the exercise of all 1,020,000 stock options, and the exercise of all 402,500 potential Compensation Options (assuming the exercise of the Over-Allotment Option) and the Over-Allotment Option.
(4) Includes the exercise of 320,000 stock options held by Mr. Walchuck.

DIRECTORS AND OFFICERS

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

Name and Province of Residence and Position with the Issuer	Director/ Officer Since	Principal Occupation for the Past Five Years	Number and % of Common Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)	Number of Stock Options Beneficially Owned Directly or Indirectly (at the date of this Prospectus)
James Walchuck⁽¹⁾ British Columbia, Canada <i>Chief Executive Officer, President, and Director</i>	Chief Executive Officer, President and Director since February 20, 2019	President and Chief Executive Officer of Zinc One Resources Inc., Encanto Potash Corp. and Volatus Capital Corp., respectively.	1,800,001 17.65%	320,000 ⁽²⁾
Blaine Bailey British Columbia, Canada <i>Chief Financial Officer, Corporate Secretary and Director</i>	Chief Financial Officer and Corporate Secretary since February 20, 2019	Chartered Professional Accountant (CGA, CPA); Chief Financial Officer of Latin Metals Inc. since June 2015, Cardero Resource Corp. since November 2011, Adastra Labs Holdings Ltd. (formerly, Arrowstar Resources Corp.) since July 2005, VR Resources since March 2017, Goldplay Exploration Ltd since March 2018, Velocity Minerals from June 2017 to December 2019, New Energy Metals Corp. from February to December 2018, Panorama Capital Corp. since December 2018 and	300,000 2.94%	300,000 ⁽²⁾

Name and Province of Residence and Position with the Issuer	Director/ Officer Since	Principal Occupation for the Past Five Years	Number and % of Common Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)	Number of Stock Options Beneficially Owned Directly or Indirectly (at the date of this Prospectus)
		Principal of Promaid Services Ltd. since September 2002.		
Twila Jensen⁽¹⁾ British Columbia, Canada <i>Director</i>	Director since February 20, 2019	Businesswoman; Senior Capital Markets Strategist of Stockhouse Publishing since November 2013 and served as a director of several companies, including Crop Infrastructure Corp. from May 2018 to November 2019, Golden Lake Exploration Inc. since May 2018, Durango Resources Inc. since November 2015 and BTU Metals Corp. from December 2016 to April 2019.	100,000 0.98%	120,000 ⁽²⁾
Stuart Ross⁽¹⁾ British Columbia, Canada <i>Director</i>	Director since November 15, 2019	Businessman; Chief Executive Officer and President of Cardero Resource Corp., served as a senior officer and director of several public companies, including President and CEO of El Tigre Silver Corporation from 2007 to 2015, director of Gitennes Exploration Inc. since 2012, and a director of Cobra Venture Corporation since 2018.	Nil	180,000 ⁽²⁾

Note:

(1) Denotes a member of the Audit Committee of the Issuer.

(2) Each option entitles the holder to purchase one Common Share at an exercise price of \$0.10 per Common Share until November 16, 2024.

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

The Issuer has one committee, the audit committee, comprised of James Walchuck, Stuart Ross (Chairperson) and Twila Jensen.

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

James Walchuck, Chief Executive Officer, President and Director

Mr. Walchuck is the Chief Executive Officer, President and a director of the Issuer and provides his services to the Issuer on a part-time basis. He has served the Issuer as Chief Executive Officer, President and a director since February 20, 2019. He will devote approximately 20% of his time to the affairs of the Issuer. His responsibilities with the Issuer in his capacity as Chief Executive Officer and President include managing day-to-day operations of the Issuer, executing policies implemented by the Board of Directors and reporting back to the Board.

Mr. Walchuck is an experienced mining engineer having over 37 years of national and international experience in the

minerals industry, including work in North America, Slovakia, the United Kingdom, Ghana, and Tanzania. Recently, Mr. Walchuck served as the CEO and a director of Encanto Potash Corp., Zinc One Resources Inc. and Volatus Capital Corp. Mr. Walchuck is a graduate of Dalhousie University, in Halifax, Nova Scotia, with a B.Sc.(1977), and holds a B.Eng (Mining) from the Technical University of Nova Scotia (1979). Mr. Walchuck also held his P.Eng designation in Ontario from 1979-2018, and obtained his P.Eng designation in British Columbia in 2005.

Mr. Walchuck is an independent contractor of the Issuer, has not entered into a non-competition or non-disclosure agreement with the Issuer and is 63 years of age.

Blaine Bailey, *Chief Financial Officer, Corporate Secretary and Director*

Mr. Bailey is the Chief Financial Officer, Corporate Secretary and a director of the Issuer and provides his services to the Issuer on a part time basis. He has served the Issuer as Chief Financial Officer, Corporate Secretary and a director since February 20, 2019. He will devote approximately 10% of his time to the affairs of the Issuer. In his capacity as Chief Financial Officer, Mr. Bailey reports to the President and Chief Executive Officer of the Issuer regarding strategic and tactical matters as they relate to budget management, cost-benefit analysis, forecasting needs and securing adequate funding.

Mr. Bailey is a Chartered Professional Accountant and Certified General Accountant working with public and private companies over the past 20 years, providing services to the companies in the areas of finance, administration and financial reporting. Mr. Bailey is currently the CFO of Cardero Resource Corp., Latin Metals Inc. (formerly, Centenera Mining Corporation) and VR Resources Ltd. and CFO and a director of Adastra Labs Holdings Ltd. Mr. Bailey received his Bachelor of Commerce degree (Honours) from the University of Manitoba in 1977, and qualified for the CPA, CGA designation in British Columbia in 1983. Mr. Bailey has served in the capacity of accountant for Molson Brewery B.C. Ltd. and controller for Nabob Coffee Co. with head offices in Zurich, Switzerland.

Mr. Bailey is an independent contractor of the Issuer, has not entered into any non-competition or non-disclosure agreements with the Issuer and is 67 years of age.

Twila Jensen, *Director*

Ms. Jensen has been a director of the Issuer since February 20, 2019 and provides her services to the Issuer on a part-time basis. She will devote approximately 10% of her time to the affairs of the Issuer. As a director, she is responsible for directing and overseeing management of the Issuer.

Ms. Jensen is a businesswoman and has extensive experience with reporting issuers, having served as a director of various public companies traded on the TSX Venture Exchange and the CSE. Ms. Jensen has over 18 years of experience working in the capital markets within sales and marketing roles and as an independent director. She has worked with hundreds of public companies across North America in various sectors over the last two decades. Ms. Jensen currently serves as a director for Golden Lake Exploration Inc. and Durango Resources Inc.

Ms. Jensen is not an independent contractor or employee of the Issuer, has not entered into a non-competition or nondisclosure agreement with the Issuer and is 36 years of age.

Stuart Ross, *Director*

Mr. Ross has been a director of the Issuer since November 15, 2019 and provides his services to the Issuer on a part-time basis. He will devote approximately 10% of his time to the affairs of the Issuer. As a director, he is responsible for directing and overseeing management of the Issuer.

Mr. Ross has been a senior officer and director of several public companies, including companies listed on the NASDAQ and TSX Venture exchanges. His sector experience includes mining, beverage production and distribution, medical services, gaming and merchant banking, including 17 years as a senior officer and director of Clearly Canadian Beverage Corp (1986 to 2003). Most recently, Mr. Ross was President and CEO of El Tigre Silver Corp., a TSX Venture listed silver exploration company (2007 to 2015), and has been the President and CEO of Cardero Resource Corp., a TSX Venture listed resource company, since August 2017.

Mr. Ross is not an independent contractor or employee of the Issuer, has not entered into a non-competition or non-disclosure agreement with the Issuer and is 75 years of age.

Corporate Cease Trade Orders or Bankruptcies

To the Issuer's knowledge, except as disclosed below:

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

On June 29, 2016, at a time when James Walchuck was Chief Executive Officer of Tanzania Minerals Corp. ("Tanzania"), a management cease trade order was issued to Tanzania by the British Columbia Securities Commission for failing to file annual audited financial statements, certification of annual filings and management's discussion and analysis for the year ended February 29, 2016 (collectively, the "2016 Annual Financial Statements") within the prescribed time period. On September 1, 2016, at a time when James Walchuck was a director and/or officer of Tanzania, a cease trade order was issued to Tanzania by the British Columbia Securities Commission, for its failure to file the 2016 Annual Financial Statements, as well as an interim financial report, certification of interim filings and management's discussion and analysis for the period ended May 31, 2016. On January 19, 2018, the management cease trade order and cease trade order were revoked, and Tanzania subsequently resumed trading.

Blaine Bailey was Chief Financial Officer of Qumana Software Inc. (formerly, Thoughtshare Communications Inc.) which was subject to cease trade orders issued by the British Columbia Securities Commission and the Alberta Securities Commission in September and October 2003, respectively, for failing to file financial statements. The required financial statements were subsequently filed and revocation orders from the British Columbia Securities Commission and the Alberta Securities Commission were issued in August 2005. Qumana Software Inc. was subject to cease trade orders issued by the BCSC and the ASC in August 2007 and January 2008, respectively, for failing to file financial statements. These cease trade orders remain in effect.

On May 8, 2014, at a time when Blaine Bailey was Chief Financial Officer and a director of Arrowstar Resources Ltd. ("Arrowstar"), a cease trade order was issued to Arrowstar by the British Columbia Securities Commission for failing to file a comparative financial statement and a management's discussion and analysis for the period ended December 31, 2013. The required financial statements and management's discussion and analysis were subsequently filed and a revocation order from the British Columbia Securities Commission was issued in September 15, 2014.

On July 30, 2015, at a time when Blaine Bailey was Chief Financial Officer of Geodex Minerals Ltd. ("Geodex"), a management cease trade order was issued to Geodex by the British Columbia Securities Commission for failing to file annual audited financial statements and management's discussion and analysis for the year ended March 31, 2015. The required financial statements and management's discussion and analysis were subsequently filed and a revocation order from the British Columbia Securities Commission was issued on September 22, 2015.

Penalties or Sanctions

To the Issuer's knowledge, no director or executive officer of the Issuer, or any shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

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

Ms. Jensen declared personal bankruptcy on March 29, 2010 and was subsequently discharged from her personal bankruptcy on January 7, 2011.

Conflicts of Interest

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

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

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

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

- (a) each individual who, in respect of the Issuer, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Issuer, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Issuer and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with Section 1.3(5) of Form 51-102F6V under National Instrument 51-102 – *Continuous Disclosure Obligations*, for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Issuer, nor acting in a similar capacity, as at the end of the most recently completed financial year,

(each a "Named Executive Officer").

During the period ended July 31, 2019, the Issuer had two individuals who were Named Executive Officers, namely (i) James Walchuck, who was appointed the Chief Executive Officer and President of the Issuer on February 20, 2019 and (ii) Blaine Bailey, who was appointed Chief Financial Officer and Corporate Secretary of the Issuer on February 20, 2019.

Compensation Discussion and Analysis

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

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

The Issuer's Named Executive Officer compensation during the most recently completed financial period ended July 31, 2019 was determined and administered by the Board of Directors. The Board of Directors was solely responsible for assessing the compensation to be paid to the Issuer's Named Executive Officers and for evaluating their performance.

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

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

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

Summary Compensation Table

The following table sets forth the value of the compensation, excluding compensation securities, of the Issuer's directors and Named Executive Officers, for the period ended July 31, 2019:

Name and principal position	Year	Salary	Share-based awards	Option-based awards	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
					Annual incentive plans	Long-term incentive plans			
James Walchuck <i>Chief Executive Officer, President and Director</i> ⁽¹⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Name and principal position	Year	Salary	Share-based awards	Option-based awards	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
					Annual incentive plans	Long-term incentive plans			
Blaine Bailey <i>Chief Financial Officer and Corporate Secretary</i> ⁽²⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) James Walchuck was appointed Chief Executive Officer, President and a director on February 20, 2019.

(2) Blaine Bailey was appointed Chief Financial Officer, Corporate Secretary and a director on February 20, 2019.

Director Compensation Table

The table below sets out the compensation of directors that are not also Named Executive Officers of the Issuer, for the period ended July 31, 2019.

Name	Fees earned	Share-based awards	Option-based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total
Sorin Posescu <i>Director</i> ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Twila Jensen <i>Director</i> ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Sorin Posescu was appointed a director on February 20, 2019 and ceased to be a director on November 11, 2019.

(2) Twila Jensen was appointed a director on February 20, 2019.

External Management Companies

Of the Issuer's Named Executive Officers, neither James Walchuck nor Blaine Bailey is or was an employee of the Issuer.

As of the date of this Prospectus, the Issuer has not executed any employment, consulting or management agreements with any of its directors or Named Executive Officers. The Issuer has a management services agreement with European Business Center – North America, a division of Dynamis Capital Corp., a private company.

Stock Options and Other Compensation Securities

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

There were no stock options or other compensation securities granted or issued during the most recent financial year, and 1,020,000 stock options have been issued as at the date of this Prospectus.

Proposed Compensation

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

Name and Principal Position	Salary	All Other Compensation	Total Compensation
James Walchuck <i>Chief Executive Officer and President</i>	Nil	Nil	Nil
Blaine Bailey <i>Chief Financial Officer and Corporate Secretary</i>	Nil	Nil	Nil
Twila Jensen <i>Director</i>	Nil	Nil	Nil
Stuart Ross <i>Director</i>	Nil	Nil	Nil

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness for travel and other expense advances, no existing or proposed director, executive officer or senior officer of the Issuer or any associate of any of them, was indebted to the Issuer as at July 31, 2019, or is currently indebted to the Issuer at the date of this Prospectus.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

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

Audit Committee Charter

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

Composition of Audit Committee

The members of the Audit Committee are set out below:

James Walchuck	Not Independent	Financially literate ⁽²⁾
Twila Jensen	Independent ⁽¹⁾	Financially literate ⁽²⁾
Stuart Ross (Chairperson)	Independent ⁽¹⁾	Financially literate ⁽²⁾

Notes:

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Issuer, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.

(2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Issuer's financial statements.

Relevant Education and Experience

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

- (a) an understanding of the accounting principles used by the Issuer to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Issuer's financial statements or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

James Walchuck: Mr. Walchuck is an experienced mining engineer having over 36 years of national and international experience in the minerals industry. Recently, Mr. Walchuck has served as the CEO and a director of Volatus Capital Corp., Encanto Potash Corp. and Zinc One Resources Inc, and previously, Mr. Walchuck was the President and CEO of Tournigan Gold Corporation from 2005-2008 and the mining manager for Kahama Mining Corp., a wholly owned subsidiary of Barrick Gold Corporation, from 1999 to 2002, each of which positions involved Mr. Walchuck in a variety of matters requiring financial literacy. Mr. Walchuck has a number of years of experience as a member of an audit committee of a reporting issuer, including as a member of the audit committee of Volatus Capital Corp., American Helium Inc. and Buffalo Gold Ltd., and is familiar with the financial reporting requirements applicable to public companies in Canada.

Twila Jensen: Ms. Jensen has numerous years of experience with mineral exploration and mining development companies and is familiar with the financial reporting requirements applicable to public companies in Canada. Ms. Jensen is also a current member of the audit committee of Golden Lake Exploration Inc.

Stuart Ross: Mr. Ross is a businessman with experience as a senior officer and director of public companies. Mr. Ross was the Chief Financial Officer and director of Clearly Canadian Beverage Company where he was responsible for the supervision of all accounting functions, along with the preparation of budgets and financial statements. He is currently a member of the audit committee of the board of directors of each of Gitennes Exploration Inc. and Cobra Venture Corporation, and is familiar with the financial reporting requirements applicable to public companies in Canada.

See "Directors and Officers" above for further details.

Audit Committee Oversight

The Audit Committee was established on July 31, 2019 and will, among other things, make recommendations to the Board of Directors to nominate or compensate an external auditor. As of the date of this Prospectus, the Audit Committee has not made any such recommendations for the Board to consider.

Reliance on Certain Exemptions

At no time since the commencement of the Issuer's most recently completed financial period has the Issuer relied on the exemptions in Sections 2.4, 3.2, 3.4, 3.5, 3.6 or Part 8 of NI 52-110, or an exemption from subsections 3.3(2) of NI 52-110. The Issuer is relying on the exemption in Section 6.1 of NI 52-110 regarding the composition of the audit committee and reporting obligations.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees

The following table sets out the aggregate fees billed by the Issuer's external auditor in its only fiscal year since incorporation in the category of fees described:

	July 31, 2019
Audit Fees	\$10,000
Audit Related Fees	Nil
Tax Fees	Nil
All Other Fees	Nil
TOTAL:	Nil

Note:

(1) The audit fees for the year ended July 31, 2019 are estimates as the audit work was completed and billed in a subsequent year.

Exemption

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

Corporate Governance

General

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

Board of Directors

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

The Board is currently comprised of four directors, of whom Twila Jensen and Stuart Ross are independent for the purposes of NI 52-110. James Walchuck is not independent as Mr. Walchuck serves as Chief Executive Officer and President of the Issuer, and Blaine Bailey is not independent as Mr. Bailey serves as Chief Financial Officer and Corporate Secretary of the Issuer. Therefore, the Board is not comprised of a majority of independent directors, and, in order to further facilitate the exercise of independent supervision over the Issuer's management, the Board carefully examines the issues before it, consults with outside counsel and other advisors as necessary and encourages the independent directors to regularly and independently confer amongst themselves.

Directorships

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

Name	Reporting Issuer (Exchange/Market: Trading Symbol)
James Walchuck	N/A
Blaine Bailey	Adastra Labs Holdings Ltd. (CSE: XTRX)

Name	Reporting Issuer (Exchange/Market: Trading Symbol)
Twila Jensen	Durango Resources Inc. (TSX.V: DGO) Golden Lake Exploration Inc. (CSE: GLM)
Stuart Ross	Cobra Venture Corporation (TSX.V: CBV) Gitennes Exploration Inc. (TSX.V: GIT)

Board Mandate

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

Orientation and Continuing Education

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

Ethical Business Conduct

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

Nomination of Directors

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

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

Compensation

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

Other Board Committees

The Board has no committee other than the Audit Committee.

Assessments

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

PLAN OF DISTRIBUTION

The Offering consists of 3,500,000 Common Shares at a price of \$0.10 per Common Share, to raise gross proceeds of \$350,000, and will be conducted through the Agent in the provinces of British Columbia and Alberta.

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

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

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

The Issuer has agreed to (i) pay the Agent (A) a cash Agent's Commission equal to 10% of the aggregate Offering Price of the Common Shares sold under the Offering; and, if applicable, the Over-Allotment Option and (B) a cash Corporate Finance Fee of \$30,000; and (ii) to issue 100,000 Corporate Finance Fee Shares. In addition, upon successful completion of the Offering, the Agent is entitled to receive, as part of its remuneration, Compensation Options entitling the holder thereof to purchase that number of Common Shares equal to 10% of the number of Common Shares issued pursuant to this Offering and if applicable, the Over-Allotment Option. The Compensation Options will be exercisable at a price of \$0.10 per Common Share for a period of 24 months from the Closing Day.

The Issuer has agreed to ensure that the directors and officers of the Issuer will execute a written acknowledgement agreeing not to directly or indirectly sell, agree to sell or announce any intention to sell any Common Shares or other securities of the Issuer for a period of 90 days from the Closing Day.

The Issuer has granted to the Agent an Over-Allotment Option exercisable, in whole or in part, up to 48 hours prior to Closing, to sell an additional number of Common Shares up to a maximum of 525,000 Common Shares. The Over-Allotment Option and the Over-Allotment Option Shares are also qualified for distribution under this Prospectus.

Pursuant to NI 41-101 the aggregate number of securities which may be distributed under a prospectus to an Agent as compensation must not exceed 10% of the Common Shares offered pursuant to this Prospectus, which in the case of this Offering (and assuming the exercise of the Over-Allotment Option in full) is 402,500 securities. For the purposes of this Offering, any combination of the following, totalling 402,500 securities, are Qualified Compensation Securities and are qualified for distribution by this Prospectus: (i) up to 100,000 Corporate Finance Fee Shares; and (ii) up to a maximum of an aggregate 402,500 Compensation Options. To the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offering and the Over-Allotment Option, those securities exceeding the 10% threshold will not be Qualified Compensation Securities, will not be qualified for distribution under this Prospectus and will be subject to a hold period in accordance with applicable securities laws.

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

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

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

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

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

RISK FACTORS

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

Insufficient Capital

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

Financing Risks

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

Limited Operating History and Negative Operating Cash Flow

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

To the extent that the Issuer has a negative operating cash flow in future periods, the Issuer may need to allocate a portion of its cash reserves to fund such negative operating cash flow. The Issuer may also be required to raise

additional funds through the issuance of equity or debt securities. There can be no assurance that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Issuer.

Resale of Shares

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

Price Volatility of Publicly Traded Securities

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

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

Property Interests

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

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

First Nations Land Claims

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

there is no assurance that the Issuer will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop the Adam West Property.

Exploration and Development

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

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

Uninsurable Risks

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

Permits and Government Regulations

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

Environmental Laws and Regulations

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

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Issuer and cause increases in

capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

No Commercial Ore

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

Competition

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

Management and Directors

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

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

Fluctuating Mineral Prices

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

Litigation

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

Conflicts of Interest

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

Dividends

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

Tax Issues

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

The Issuer issued flow-through shares on April 2, 2019 and April 17, 2019 pursuant to flow-through subscription agreements with subscribers. Although the Issuer believes it has incurred or intends to incur expenditures as contemplated by those flow-through subscription agreements, there is a risk that expenditures incurred by the Issuer may not qualify as "Canadian exploration expenditures" ("CEE") or "Canadian development expense" ("CDE"), as such terms are defined in the Tax Act, or that any such resource expenses incurred will be reduced by other events including failure to comply with the provisions of the flow-through subscription agreements or of applicable income tax legislation. If the Issuer does not renounce to such subscribers CEE or CDE within the prescribed time period, or if there is a reduction in such amount renounced pursuant to the provisions of the Tax Act, the Issuer may need to indemnify such subscribers, on the terms included in the flow-through subscription agreements, for an amount equal to the amount of any tax payable or that may become payable under the Tax Act.

PROMOTERS

James Walchuck is considered to be a promoter of the Issuer in that he took the initiative in organizing the business of the Issuer. Mr. Walchuck beneficially holds, directly or indirectly, a total of 1,800,001 (17.65%) of the Issuer's currently issued and outstanding Common Shares. See "Principal Shareholders" and "Directors and Officers" above for further details.

LEGAL PROCEEDINGS

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

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

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

RELATIONSHIP BETWEEN THE ISSUER AND AGENT

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

AUDITORS

The auditor of the Issuer is Morgan & Company LLP, Chartered Professional Accountants, of 1630 - 609 Granville Street, Vancouver, British Columbia, V7Y 1A1.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Issuer is National Securities Administrators Ltd. of 760 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4.

MATERIAL CONTRACTS

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

1. Management Services Agreement made between the Issuer and European Business Center – North America, a division of Dynamis Capital Corp. dated February 20, 2019, referred to under "Management's Discussion and Analysis".
2. Property Option Agreement made between the Issuer, Billingsley and Richards, dated April 2, 2019, referred to under "General Development of the Business".
3. Stock Option Plan approved by the Board of Directors on November 16, 2019 referred to under "Options to Purchase Securities".
4. Escrow Agreement among the Issuer, National Securities Administrators Ltd. and certain Principals of the Issuer made as of December 10, 2019 referred to under "Escrowed Shares".
5. Agency Agreement between the Issuer and Haywood Securities Inc., dated for reference March 5, 2020 referred to under "Plan of Distribution".

A copy of any material contract and the Technical Report may be inspected during the Offering of the Common Shares being offered under this Prospectus and for a period of 30 days thereafter during normal business hours at the Issuer's offices at 3148 Highland Boulevard, North Vancouver, British Columbia, V7R 2X6. As well, the Technical Report is available for viewing on SEDAR located at: www.sedar.com.

EXPERTS

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

Certain legal matters related to this Offering will be passed upon on behalf of the Issuer by Lotz & Company and by DuMoulin Black LLP on behalf of the Agent. Jonathan Lotz, the principal of Lotz & Company owns 200,000 Common Shares in the capital of the Issuer, which represent 1.96% of the Issuer's issued and outstanding Common Shares as at the date of this Prospectus.

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

Hardolph Wasteneys, Ph.D., P.Geo., the Author of the Technical Report on the Adam West Property, is independent from the Issuer within the meaning of NI 43-101.

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

OTHER MATERIAL FACTS

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

PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

Securities legislation in the Provinces of British Columbia and Alberta provides Subscribers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contain a misrepresentation or is not delivered to the Subscriber, provided that the remedies for

rescission, revisions of the price or damages are exercised by the Subscriber within the time limit prescribed by the securities legislation of the Subscriber's province or territory. The Subscriber should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

Attached as Schedule "B" and forming part of this Prospectus are the audited financial statements of the Issuer for the period ended July 31, 2019, and the unaudited interim financial statements of the Issuer for the three month period ended October 31, 2019.

SCHEDULE "A"

Audit Committee Charter

See attached.

ALTUM RESOURCE CORP.

AUDIT COMMITTEE CHARTER

1. Mandate and Purpose of the Committee

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

- (a) the integrity of the Company's financial statements;
- (b) the Company's compliance with legal and regulatory requirements, as they relate to the Company's financial statements;
- (c) the qualifications, independence and performance of the Company's auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Company's internal audit function;
- (f) consideration and approval of certain related party transactions; and
- (g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2. Authority

The Committee has the authority to:

- (a) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- (b) communicate directly with the Company's auditor.

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

3. Composition and Expertise

The Committee shall be composed of a minimum of three members, each of whom is a director of the Company. The majority of the Committee's members must not be officers or employees of the Company or an affiliate of the Company, unless otherwise permitted by National Instrument 52-110 – *Audit Committees*.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next

annual meeting of shareholders or until they resign or are removed by the Board or cease to be directors of the Company.

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

4. Meetings

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

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

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

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

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

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

5. Committee and Charter Review

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

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as

any guidelines recommended by regulators or the Canadian Securities Exchange and shall recommend changes to the Board thereon.

6. Reporting to the Board

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

7. Duties and Responsibilities

(a) Financial Reporting

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

The Committee is also responsible for:

- (i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;
- (ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;
- (iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) Auditor

The Committee is responsible for recommending to the Board:

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

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

(c) **Relationship with the Auditor**

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

- (i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;
- (ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
- (iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
- (iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) **Accounting Policies**

The Committee is responsible for:

- (i) reviewing the Company's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;
- (ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and

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

(e) **Risk and Uncertainty**

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

- (i) uncertainty notes and disclosures; and
- (ii) MD&A disclosures.

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

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

(f) **Controls and Control Deviations**

The Committee is responsible for reviewing:

- (i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
- (ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

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

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

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

- (i) tax and financial reporting laws and regulations;
- (ii) legal withholdings requirements;
- (iii) environmental protection laws; and
- (iv) other matters for which directors face liability exposure.

(h) **Related Party Transactions**

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

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

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

8. Non-Audit Services

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

9. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

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

10. Procedure For Reporting Of Fraud Or Control Weaknesses

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

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

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

11. Hiring Policies

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

SCHEDULE "B"

**Audited Financial Statements for the Period Ended July 31, 2019 and Unaudited Interim Financial
Statements for the Three Month Period Ended October 31, 2019**

See attached.

ALTUM RESOURCE CORP.
FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION ON
FEBRUARY 20, 2019 to JULY 31, 2019

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Altum Resource Corp.

Opinion

We have audited the financial statements of Altum Resource Corp. (the "Company"), which comprise the statement of financial position as at July 31, 2019, the statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the period from incorporation on February 20, 2019 to July 31, 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2019, and its financial performance and its cash flows for the period from incorporation on February 20, 2019 to July 31, 2019 in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$45,415 during the period from incorporation on February 20, 2019 to July 31, 2019 and generated negative cash flows from operating activities. 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Vancouver, Canada

"Morgan & Company LLP"

March 5, 2020

Chartered Professional Accountants

ALTUM RESOURCE CORP.
STATEMENT OF FINANCIAL POSITION
AS AT July 31, 2019
(Expressed in Canadian Dollars)

ASSETS

Current

Cash	\$	162,653
Receivables		<u>2,487</u>

165,140

Exploration and evaluation assets (Note 3)		<u>97,524</u>
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\$ 262,664

LIABILITIES AND SHAREHOLDERS' EQUITY

Current

Accounts payable and accrued liabilities	\$	<u>32,078</u>
--	----	---------------

Shareholders' equity

Share capital (Note 5)		276,001
Contributed surplus (Note 4, 5)		30,000
Deficit		<u>(75,415)</u>

230,586

\$ 262,664

Nature of operations and going concern (Note 1)

Subsequent events (Note 10)

On behalf of the Board:

“James Walchuck”

Director

“Stuart Ross”

Director

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

ALTUM RESOURCE CORP.**STATEMENT OF LOSS AND COMPREHENSIVE LOSS**

For the period from February 20, 2019 (date of incorporation) to July 31, 2019

(Expressed in Canadian Dollars)

July 31, 2019

EXPENSES

Consulting	\$	13,214
Office		4,048
Professional fees		25,510
Rent		2,643
Share-based compensation (Note 4, 5)		<u>30,000</u>

Loss and comprehensive loss for the period \$ (75,415)

Loss per common share

-Basic and diluted	\$	(0.01)
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Weighted average number of common shares outstanding

-Basic and diluted		<u>5,188,821</u>
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The accompanying notes are an integral part of these financial statements.

ALTUM RESOURCE CORP.
STATEMENTS OF CASH FLOW
For the period from February 20, 2019 (date of incorporation) to July 31, 2019
(Expressed in Canadian Dollars)

	July 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss for the period	\$ (75,415)
Items not involving cash	
Share-based compensation (Note 4, 5)	30,000
Changes in non-cash working capital items:	
Increase in receivables	(2,487)
Increase in accounts payable and accrued liabilities	23,700
	<u>(24,202)</u>
Net cash used in operating activities	<u>(24,202)</u>
CASH FLOWS FROM INVESTING ACTIVITY	
Exploration and evaluation assets	<u>(89,146)</u>
Net cash used in investing activities	<u>(89,146)</u>
CASH FLOWS FROM FINANCING ACTIVITY	
Proceeds from the issuance of shares	<u>276,001</u>
Net cash provided by financing activity	<u>276,001</u>
Change in cash during the period	162,653
Cash, beginning of period	-
Cash, end of period	\$ 162,653

Supplemental disclosure with respect to cash flows (Note 6)

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

ALTUM RESOURCE CORP.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the period from February 20, 2019 (date of incorporation) to July 31, 2019

(Expressed in Canadian Dollars)

	Share Capital		Contributed Surplus	Deficit	Total
	Number of shares	Amount			
Incorporation February 20, 2019	1	\$ 1	\$ -	\$ -	1
Share issuances (Note 5)	10,200,000	276,000	-	-	276,000
Share-based compensation (Note 4, 5)	-	-	30,000	-	30,000
Loss for the period	-	-	-	(75,415)	(75,415)
Balance, July 31, 2019	10,200,001	\$ 276,001	30,000	\$ (75,415)	\$ 230,586

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Altum Resource Corp. (the “Company”) was incorporated on February 20, 2019 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is 3148 Highland Boulevard, North Vancouver, British Columbia, Canada. To date, the Company has not earned operating revenue.

The Company is in the process of acquiring and exploring exploration and evaluation assets and has not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

As at July 31, 2019, the Company has generated negative cash flows from operating activities and has an accumulated deficit of \$75,415. The Company expects to incur further losses in the development of its operations. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues enough to cover its operating costs. 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 financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These financial statements have been prepared in accordance with IAS 1 ‘Presentation of Financial Statements’ (“IAS 1”) using accounting policies consistent with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These financial statements were authorized for issue by the Board of Directors on March 5, 2020.

Basis of presentation

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

Exploration and evaluation assets

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

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

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

Flow-through shares

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

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

Foreign currency

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

Income tax

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments

i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or 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 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 or if the Company has opted to measure them at FVTPL.

ii) Measurement

Financial assets and liabilities at amortized cost

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. The Company’s receivables and accounts payable and accrued liabilities are carried at amortized cost.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements 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. The Company’s cash is classified as FVTPL.

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 of 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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Significant accounting estimates and judgments

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statement of financial position and the reported amount of revenues and expenses during the reporting year. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

Significant accounts that require estimates as the basis for determining the stated amounts include evaluating the potential impairment of exploration and evaluation assets and share-based payments.

Economic recoverability and probability of future economic benefits of exploration and evaluation assets
Management has determined that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessment of economic recoverability and probability of future economic benefits, including geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Valuation of share-based compensation

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Impairment

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the year. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate and its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been impacted.

For all financial assets objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it is becoming probable that the borrower will enter bankruptcy or financial re-organization.

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

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount does not exceed what the amortized cost would have been had the impairment not been recognized.

Share capital

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

Share-based payments

The fair value of options or compensatory warrants granted is recognized as a share-based payments expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services like those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from reserve to share capital.

The fair value of options granted is measured at grant date and each tranche is recognized over the period during which the options vest. The fair value is measured using the Black-Scholes option pricing model considering the terms and conditions upon which the options were granted. At each reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

Share-based payments to non-employees, who are not providing similar services to employees, are measured at the grant date by using 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 received cannot be reliably measured, and are recorded at the date the goods or services are received.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Related party transactions

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

Provisions

Rehabilitation provisions

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for rehabilitation obligation is recognized at its fair value in the year in which it is incurred if a reasonable estimate of cost can be made. The Company records the present value of estimated future cash flows associated with rehabilitation as a liability when the liability is incurred and increases the carrying value of the related assets for that amount. Subsequently, these rehabilitation costs are amortized over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time and changes in the estimated future cash flows underlying any initial estimates.

The Company recognizes its environmental liability on a site-by-site basis when it can be reliably estimated. Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are charged to profit or loss.

The Company had no rehabilitation obligations for the period presented.

Earnings (loss) per share

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

New standards and interpretations

Certain new standards, interpretations, amendments and improvements to existing standards were issued by IASB or IFRIC that are mandatory for future accounting periods. The following have been adopted by the Company:

- IFRS 16 *Leases*: New standard to establish principles for recognition, measurement, presentation, and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019. The adoption of this new standards did not have a significant impact on the Company's financial statement.

3. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets 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 exploration and evaluation assets. The Company has investigated title to all its exploration and evaluation assets and, to the best of its knowledge, title to all its properties are in good standing.

	Adam West
Balance incorporation February 20, 2019	\$ -
Acquisition costs:	
Cash	5,000
Deferred exploration costs:	
Geophysical	40,927
Consulting	23,925
Report preparation	7,991
Assay	11,842
Field	7,839
Total expenditures for the period	92,524
Balance July 31, 2019	\$ 97,524

Adam West Project

Pursuant to an option agreement dated April 2, 2019 the Company was granted an option to acquire a 100% undivided interest in the Adam West Project (the "Property") in the Nanaimo Mining Division, British Columbia. To exercise the option the Company must pay \$105,000 and issue 2,000,000 common share as follows:

	Cash	Common Shares
Upon signing of the agreement	\$ 5,000 (paid)	-
On or before the Company's common shares listed on the Canadian Stock Exchange ("CSE") (the "Listing")	10,000	-
Within 15 days of the Listing	-	100,000
On or before the first anniversary of the Listing	10,000	300,000
On or before the second anniversary of the Listing	20,000	400,000
On or before the third anniversary of the Listing	30,000	600,000
On or before the fourth anniversary of the Listing	30,000	600,000
Total	\$ 105,000	2,000,000

Upon commencement of commercial production, the Vendor will receive a 1.8% Gross Smelter Returns Royalty.

4. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

4. RELATED PARTY TRANSACTIONS (Cont'd...)

The Company incurred the following transactions with key management personnel during the period from February 20, 2019 (date of incorporation) to July 31, 2019.

	Period ended July 31, 2019
Share-based Compensation	\$ 30,000

During the period ended July 31, 2019, the Company issued 2,000,000 common shares with an estimated fair value of \$40,000 for gross proceeds of \$10,000 to directors and officers of the Company (see note 5(2)). Accordingly, the Company recorded an amount of \$30,000 as share-based compensation for the period ended July 31, 2019.

5. SHARE CAPITAL AND RESERVES

Authorized – Unlimited common shares without par value

During the period ended July 31, 2019, the Company had the following share capital transactions:

- (1) The Company issued 1 share on incorporation for proceeds of \$1.
 - (2) On March 28, 2019 the Company issued 2,000,000 common shares at a price of \$.005 per common share for gross proceeds of \$10,000. The fair value of the common shares was estimated to be \$40,000. Accordingly, the Company recorded share-based compensation of \$30,000 and a corresponding increase to contributed surplus.
 - (3) On April 2, 2019 the Company issued 1,000,000 flow-through common shares at a price of \$.02 per common share for gross proceeds of \$20,000 which the Company is committed to spend in Qualifying Canadian Exploration Expenditures (“CEE”).
 - (4) On April 17, 2019 the Company issued 3,100,000 flow-through common shares at a price of \$.02 per common share for gross proceeds of \$62,000 which the Company is committed to spend in Qualifying Canadian Exploration Expenditures (“CEE”).
- As at July 31, 2019 the Company has incurred \$66,533 in CEE.
- (5) On May 7, 2019 the Company issued 700,000 common shares at a price of \$.02 per common share for gross proceeds of \$14,000.
 - (6) On June 14, 2019 the Company issued 2,000,000 common shares at a price of \$.05 per common share for gross proceeds of \$100,000.
 - (7) On July 30, 2019 the Company issued 1,400,000 common shares at a price of \$.05 per common share for gross proceeds of \$70,000.

6. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the period ended July 31, 2019;

- exploration and evaluation assets expenditures in accounts payable of \$8,378.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote and has deposited cash in high credit quality financial institutions.

Liquidity risk

As of July 31, 2019, the Company had cash balance of \$162,653 to settle current liabilities of \$32,078. The Company is exposed to liquidity risk.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade demand investments issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Foreign currency risk

The Company's expenditures are denominated in Canadian dollars and current exposure to currency risk is minimal.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont'd...)

Price risk

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

8. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2019
Loss for the period	\$ (75,000)
Statutory tax rate	27%
Expected income tax (recovery)	\$ (20,000)
Non deductible permanent differences	8,000
Change in tax assets not recognized	12,000
Total income tax recovery	\$ -

The significant components of the Company's deferred tax assets that have not been included on the statements of financial position as follows:

	2019
Deferred Tax Assets	
Non-capital losses available for future periods	\$ 12,000
	12,000
Unrecognized deferred tax assets	(12,000)
Net deferred tax asset	\$ -

The Company has available for deduction against future taxable income non-capital losses carried forward of approximately \$45,000. The non-capital losses, if not utilized, will start to expire in 2039. Future tax benefits which may arise as a result of these non-capital losses have not been recognized in these financial statements and have been offset by a valuation allowance due to the uncertainty of their realization.

9. CAPITAL MANAGEMENT

The Company defines capital that it manages as the aggregate of share capital, contributed surplus and deficit.

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

ALTUM RESOURCE CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the period from February 20, 2019 (date of incorporation) to July 31, 2019

(Expressed in Canadian Dollars)

9. CAPITAL MANAGEMENT (Cont'd...)

The Company relies on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is enough economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the period.

10. SUBSEQUENT EVENTS

On November 16, 2019, the company granted 1,020,000 share purchase options to officers, directors and a consultant at an exercise price of \$0.10 for a period of five years.

ALTUM RESOURCE CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the three months ended October 31, 2019
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

ALTUM RESOURCE CORP.
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
(Unaudited – Prepared by management)
(Expressed in Canadian Dollars)

	October 31, 2019	July 31, 2019
ASSETS		
Current		
Cash	\$ 142,271	\$ 162,653
Prepaid	2,500	-
Receivables	<u>2,937</u>	<u>2,487</u>
	147,708	165,140
Exploration and evaluation assets (Note 3)	<u>97,524</u>	<u>97,524</u>
	<u>\$ 245,232</u>	<u>\$ 262,664</u>

LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)

Current		
Accounts payable and accrued liabilities	<u>\$ 23,700</u>	<u>\$ 32,078</u>
Shareholders' equity (deficiency)		
Share capital (Note 5)	276,001	276,001
Contributed surplus (Note 5)	30,000	30,000
Deficit	<u>(84,469)</u>	<u>(75,415)</u>
	<u>(221,532)</u>	<u>(230,586)</u>
	<u>\$ 245,232</u>	<u>\$ 262,664</u>

Nature of operations and going concern (Note 1)

Subsequent events (Note 10)

On behalf of the Board:

"James Walchuck" Director _____
"Stuart Ross" Director

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

ALTUM RESOURCE CORP.
CONDENSED INTERIM STATEMENT OF LOSS AND COMPREHENSIVE LOSS
(Unaudited – Prepared by management)
(Expressed in Canadian Dollars)

	Three Months Ended October 31, 2019
EXPENSES	
Consulting	\$ 7,500
Office	54
Rent	<u>1,500</u>
Loss and comprehensive loss for the period	<u>\$ (9,054)</u>
Loss per common share	
-Basic and diluted	<u>\$ (0.00)</u>
Weighted average number of common shares outstanding	
-Basic and diluted	<u>10,200,001</u>

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

ALTUM RESOURCE CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOW
(Unaudited – Prepared by management)
(Expressed in Canadian Dollars)

	Three months Ended October 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss for the period	\$ (9,054)
Changes in non-cash working capital items:	
Increase in prepaids	(2,500)
Increase in receivables	(450)
Decrease in payables	<u>(8,378)</u>
Net cash used in operating activities	<u>(20,382)</u>
Change in cash during the period	(20,382)
Cash, beginning of period	<u>162,653</u>
Cash, end of period	<u>\$ 142,271</u>

Supplemental disclosure with respect to cash flows (Note 6)

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

ALTUM RESOURCE CORP.
CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Expressed in Canadian Dollars)

	Share Capital		Contributed Surplus	Deficit	Total
	Number of shares	Amount			
Incorporation February 20, 2019	1	\$ 1	\$ -	\$ -	1
Share issuance (Note 5)	10,200,000	276,000	-	-	276,000
Share-based compensation (Note 5)	-	-	30,000	-	30,000
Loss for the period	-	-	-	(75,415)	(75,415)
Balance, July 31, 2019	10,200,001	276,001	30,000	\$ (75,415)	\$ 230,586
Loss for the period	-	-	-	(9,054)	(9,054)
Balance, October 31, 2019	10,200,001	\$ 276,001	\$ 30,000	\$ (84,469)	\$ 221,532

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Altum Resource Corp. (the “Company”) was incorporated on February 20, 2019 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is 3148 Highland Boulevard, North Vancouver, British Columbia, Canada. To date, the Company has not earned operating revenue.

The Company is in the process of acquiring and exploring exploration and evaluation assets and has not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

As at October 31, 2019, the Company has generated negative cash flows from operating activities and has an accumulated deficit of \$84,469. The Company expects to incur further losses in the development of its operations. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues enough to cover its operating costs. 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 condensed financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed interim financial statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ using accounting policies consistent with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The condensed interim financial statements do not include all note disclosures required by IFRS for annual financial statements and should be read in conjunction with the annual financial statements for the period ended July 31, 2019, which have been prepared in accordance with IFRS as issued by the IASB. In the opinion of management, all adjustments considered necessary for fair presentation of the Company’s financial position, results of operations and cash flows have been included. Operating results for the three-month period ended October 31, 2019 are not necessarily indicative of the results that may be expected for the year ending July 31, 2020.

These financial statements were authorized for issue by the Board of Directors on March 5, 2020.

Basis of presentation

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

New standards and interpretations adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by IASB or IFRIC that are mandatory for future accounting periods. The following have been adopted by the Company:

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

- IFRS 16 *Leases*: New standard to establish principles for recognition, measurement, presentation, and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019. The adoption of this new standards did not have a significant impact on the Company's financial statement.

3. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets 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 exploration and evaluation assets. The Company has investigated title to all its exploration and evaluation assets and, to the best of its knowledge, title to all its properties are in good standing.

	Adam West
Balance incorporation February 20, 2019	\$ -
Acquisition costs:	
Cash	5,000
Deferred exploration costs:	
Geophysical	40,927
Consulting	23,925
Report preparation	7,991
Assay	11,842
Field	7,893
Total expenditures for the period	92,524
Balance October 31, 2019 and July 31, 2019	\$ 97,524

Adam West Project

Pursuant to an option agreement dated April 2, 2019 the Company was granted an option to acquire a 100% undivided interest in the Adam West Project (the "Property") in the Nanaimo Mining Division, British Columbia. To exercise the option the Company must pay \$105,000 and issue 2,000,000 common share as follows:

	Cash	Common Shares
Upon signing of the agreement (paid)	\$ 5,000	
On or before the Company's common shares listed on the Canadian Stock Exchange ("CSE") (the "Listing")	10,000	
Within 15 days of the Listing	-	100,000
On or before the first anniversary of the Listing	10,000	300,000
On or before the second anniversary of the Listing	20,000	400,000
On or before the third anniversary of the Listing	30,000	600,000
On or before the fourth anniversary of the Listing	30,000	600,000
Total	\$ 105,000	2,000,000

Upon commencement of commercial production, the Vendor will receive a 1.8% Gross Smelter Returns Royalty.

4. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. There was no key management personnel compensation for the period ended October 31, 2019.

5. SHARE CAPITAL AND RESERVES

Authorized – Unlimited common shares without par value

During the period ended July 31, 2019, the Company had the following share capital transactions:

- (1) The Company issued 1 share on incorporation for proceeds of \$1.
- (2) On March 28, 2019 the Company issued 2,000,000 common shares at a price of \$.005 per common share for gross proceeds of \$10,000. The fair value of the common shares was estimated to be \$40,000. Accordingly, the Company recorded share-based compensation of \$30,000 and a corresponding increase to contributed surplus.
- (3) On April 2, 2019 the Company issued 1,000,000 flow-through common shares at a price of \$.02 per common share for gross proceeds of \$20,000 which the Company is committed to spend in Qualifying Canadian Exploration Expenditures ("CEE").
- (4) On April 17, 2019 the Company issued 3,100,000 flow-through common shares at a price of \$.02 per common share for gross proceeds of \$62,000 which the Company is committed to spend in Qualifying Canadian Exploration Expenditures ("CEE").

As at July 31, 2019 the Company has incurred \$66,533 in CEE.
- (5) On May 7, 2019 the Company issued 700,000 common shares at a price of \$.02 per common share for gross proceeds of \$14,000.
- (6) On June 14, 2019 the Company issued 2,000,000 common shares at a price of \$.05 per common share for gross proceeds of \$100,000.
- (7) On July 30, 2019 the Company issued 1,400,000 common shares at a price of \$.05 per common share for gross proceeds of \$70,000.

6. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the period ended October 31, 2019

- exploration and evaluation assets expenditures in accounts payable of \$Nil (July 31, 2019 - \$8,378.)

Significant non-cash transactions during the period ended July 31, 2019;

- exploration and evaluation assets expenditures in accounts payable of \$8,378.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information

about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote and has deposited cash in high credit quality financial institutions.

Liquidity risk

As of October 31, 2019, the Company had cash balance of \$142,271 (July 31, 2019 – \$162,653) to settle current liabilities of \$23,700 (July 31, 2019 - \$8,378). The Company is exposed to liquidity risk.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade demand investments issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Foreign currency risk

The Company's expenditures are denominated in Canadian dollars and current exposure to currency risk is minimal.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

Price risk

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

8. CAPITAL MANAGEMENT

The Company defines capital that it manages as the aggregate of share capital, contributed surplus and deficit.

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company relies on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is enough economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the period.

9. SUBSEQUENT EVENTS

On November 16, 2019, the company granted 1,020,000 share purchase options to officers, directors and a consultant at an exercise price of \$0.10 for a period of five years.

CERTIFICATE OF ALTUM RESOURCE CORP.

Dated: March 5, 2020

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

"James Walchuck"

JAMES WALCHUCK

Chief Executive Officer and President

"Blaine Bailey"

BLAINE BAILEY

Chief Financial Officer and Corporate
Secretary

**ON BEHALF OF THE BOARD OF DIRECTORS OF
ALTUM RESOURCE CORP.**

"Twila Jensen"

TWILA JENSEN

Director

"Stuart Ross"

STUART ROSS

Director

CERTIFICATE OF THE PROMOTER

Dated: March 5, 2020

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

"James Walchuck"

JAMES WALCHUCK

CERTIFICATE OF THE AGENT

Dated: March 5, 2020

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

HAYWOOD SECURITIES INC.

"Don Wong"

DON WONG

Vice President, Investment Banking

EXHIBIT "B"

Additional Disclosure

Item 3.2(2)(g)

Neither Richard Billingsley ("Billingsley"), Gaye Richards ("Richards", together with Billingsley, the "Optionors"), nor Hardolph Wasteneys, Ph.D., P.Geo are a Related Party of the Issuer.

Item 13.1 – Directors' and Officers' Municipalities of Residence

James Walchuck – Vancouver, British Columbia, Canada

Blaine Bailey – Burnaby, British Columbia, Canada

Twila Jensen – Vancouver, British Columbia, Canada

Stuart Ross – Nanaimo, British Columbia, Canada

Item 14 – Capitalization Tables

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non- diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	13,900,001 ⁽¹⁾	15,270,001 ⁽¹⁾⁽²⁾	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	7,600,001	8,520,001	54.68%	55.80%
Total Public Float (A-B)	6,300,000	6,750,000	45.32%	44.20%

Freely-Tradeable Float

Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	2,200,001 ⁽³⁾	2,300,001 ⁽³⁾⁽⁴⁾	15.83%	15.06%
<hr/>				
Total Tradeable Float (A-C)	11,700,000	12,970,000	84.17%	84.94%

Notes:

(1) After giving effect to: (i) the offering of 3,500,000 common shares of the Issuer (the "Offering"); (ii) the issuance of 100,000 common shares of the Issuer to the Agent as partial payment of the Corporate Finance Fee, payable pursuant to an agency agreement entered into on March 5, 2020 (the "Agency Agreement"); and (iii) the issuance of 100,000 common shares of the Issuer to the Optionors in respect of the Adam West Property pursuant to a property option agreement dated April 2, 2019.

(2) Includes: (i) 1,020,000 common shares of the Issuer issuable pursuant to the exercise of stock options granted under the Issuer's stock option plan; and (ii) an aggregate 350,000 options to purchase an equal number of common shares of the Issuer, issuable to Haywood Securities Inc. (130,000 options), Mackie Research Capital Corporation (140,000 options) and Leede Jones Gable Inc. (80,000 options) upon the exercise of the compensation options granted to the parties under the Agency Agreement (the "Compensation Options"). Of the Compensation Options issued to Haywood Securities Inc., 100,000 of such Compensation Options will not be qualified for distribution under the prospectus and will be subject to a hold period in accordance with applicable securities laws (the "Non-Qualified Options").

(3) Subject to an Escrow Agreement dated effective December 10, 2019.

(4) Includes the 100,000 Non-Qualified Options.

Public Securityholders (Registered)

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

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	--	--
100 – 499 securities	--	--
500 – 999 securities	--	--
1,000 – 1,999 securities	--	--
2,000 – 2,999 securities	5	10,000
3,000 – 3,999 securities	--	--
4,000 – 4,999 securities	--	--

5,000 or more securities	164	6,290,000
	169	6,300,000

Public Securityholders (Beneficial)

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

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	--	--
100 – 499 securities	--	--
500 – 999 securities	--	--
1,000 – 1,999 securities	--	--
2,000 – 2,999 securities	5	10,000
3,000 – 3,999 securities	--	--
4,000 – 4,999 securities	--	--
5,000 or more securities	166	6,290,000
Unable to confirm	--	--

Non-Public Securityholders (Registered)

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

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	--	--
100 – 499 securities	--	--
500 – 999 securities	--	--
1,000 – 1,999 securities	--	--
2,000 – 2,999 securities	--	--
3,000 – 3,999 securities	--	--
4,000 – 4,999 securities	--	--
5,000 or more securities	9	7,600,001
	9	7,600,001

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

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Stock Options		
<u>Grant Date:</u> November 16, 2019 <u>Expiry Date:</u> November 16, 2024 <u>Exercise Price:</u> \$0.10	1,020,000	1,020,000
Agent's Options		
Compensation Options issued on closing of the Offering and exercisable at the election of the holder for a period of 24 months from the closing of the Issuer's initial public offering of its common shares at a price of \$0.10 per share.	350,000	350,000
Total convertible securities	1,370,000	1,370,000

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

None.

EXHIBIT "C"

Certificate of the Issuer

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

Dated at Vancouver, British Columbia this 24th day of March, 2020.

"James Walchuck"

James Walchuck
Chief Executive Officer, President,
Director and Promoter

"Twila Jensen"

Twila Jensen
Director

"Blaine Bailey"

Blaine Bailey
Chief Financial Officer, Corporate Secretary
and Director

"Stuart Ross"

Stuart Ross
Director