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

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 securities only in those jurisdictions where such securities may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereunder have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and, subject to certain exceptions, may not be offered or sold within the United States except in transactions exempt from registration under the U.S. Securities Act and under the securities laws of any applicable state. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See "Plan of Distribution".

PRELIMINARY PROSPECTUS

Initial Public Offering **April 27, 2020**

Inflection Resources Ltd.

A minimum of $2,000,000 and a maximum of $3,500,000

A minimum of 8,000,000 and a maximum of 14,000,000 Units

This Prospectus qualifies the initial public offering (the "Offering") of a minimum of 8,000,000 (the "Minimum Offering") and a maximum of 14,000,000 (the "Maximum Offering") units (the "Units") of Inflection Resources Ltd. ("we", "us" or the "Company") at a price of $0.25 per Unit (the "Offering Price"). Each Unit consists of one common share in the capital of the Company (each, a "Unit Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Unit Warrant"). Each Unit Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one common share in the capital of the Company (each, a "Warrant Share") at an exercise price of $0.40 for a period of 18 months following the Closing Date (as defined herein). If, following the closing of the Offering, the closing price of the common shares in the capital of the Company (the "Common Shares" or "Shares") on the Canadian Securities Exchange (the "CSE"), or such other stock exchange on which the Common Shares are listed, if the Common Shares are listed on any stock exchange, is equal to or greater than $0.80 for any 10 consecutive trading days, the Company may, upon providing written notice to the holders of Unit Warrants, accelerate the expiry date of the Unit Warrants to the date that is 30 days following the date of such written notice. The Unit Warrants will be transferable but will not be listed or quoted on any stock exchange or market. The Units are issued pursuant to an agency agreement dated **[●]**, 2020 (the "Agency Agreement"), between the Company and Haywood Securities Inc. (the "Agent"). The Unit Shares and Unit Warrants underlying the Units are qualified hereunder.

Price: $0.25 per Unit

	Number of Securities	Price to the Public (1)	Agent's Commission (2)	Proceeds Available to the Company (3)
Per Unit	One	$0.25	$0.02	$0.23
Minimum Offering	8,000,000	$2,000,000	$160,000	$1,840,000
Maximum Offering	14,000,000	$3,500,000	$280,000	$3,220,000

(1) The Offering Price was determined through negotiation between the Company and the Agent. See "Plan of Distribution".

(2) Pursuant to the Agency Agreement, the Agent has agreed to act as the agent of the Company in connection with the Offering, and will receive a cash commission of 8% of the gross proceeds of the Offering (the "Agent's Commission"), being a minimum of $160,000 and a maximum of $280,000. In addition, the Agent will receive a corporate finance fee of $25,000, plus GST, of which $10,000 plus GST has been paid to date, which is non-refundable, and will be reimbursed for certain of its expenses, including legal fees, incurred pursuant to this Offering, toward which a $10,000 deposit has been paid to date. The Company will also grant to the Agent upon completion of the Offering, non-transferable compensation options entitling the Agent to purchase such number of Units (the "**Compensation Options**") as is equal to 8% of the total number of Units sold by the Agent pursuant to the Offering. Each Compensation Option will be exercisable at $0.25 per Compensation Option for a period of eighteen (18) months following the Closing Date (as defined herein) to acquire one Common Share and one-half of one non-transferrable warrant (each whole common share purchase warrant, a "**Compensation Warrant**"). Each Compensation Warrant will be exercisable to purchase one Common Share (a "**Compensation Warrant Share**") at $0.40 for a period of 18 months from the Closing Date, subject to the same acceleration clause as the Unit Warrants. This Prospectus also qualifies the distribution of the Compensation Options. See "Plan of Distribution".

(3) Before deducting expenses of the Offering (excluding amounts payable to the Agent as listed above), estimated to be $147,750.

Closing of the Offering will be no later than the date that is 90 days following the date of a receipt for the final prospectus (or such later date as the securities regulatory authorities may permit). In the event that the closing of the Offering does not occur on or before the date that is 90 days following the date of a receipt for the final prospectus (or such later date as the securities regulatory authorities may permit), all subscriptions and subscription funds will be returned to investors by the Agent, without interest or any deduction or penalty.

The Offering is not underwritten or guaranteed by any person or agent. The Agent has agreed to offer the Units on a commercially reasonable efforts basis. The Agent conditionally offers the Units, if, as and when issued, sold and delivered by the Company in accordance with the conditions contained in the Agency Agreement referred to under "Plan of Distribution", subject to approval of certain legal matters relating to the Offering by DuMoulin Black LLP, on behalf of the Company, and by Miller Thomson LLP on behalf of the Agent. See "Plan of Distribution".

The following table sets out the maximum number of securities issuable to the Agent:

Agent's Position	Minimum Offering(1)	Maximum Offering(1)	Exercise Period	Exercise Price
Compensation Options	640,000 Compensation Options	1,120,000 Compensation Options	Eighteen (18) months from the Closing Date	$0.25 per Compensation Option
Total securities under option issuable to the Agent	640,000 Shares, 320,000 Compensation Warrants and 320,000 Compensation Warrant Shares	1,120,000 Shares, 560,000 Compensation Warrants and 560,000 Compensation Warrant Shares	Eighteen (18) months from the Closing Date (2)	$0.40 per Compensation Warrant Share

(1) This Prospectus qualifies the grant of the Compensation Options to the Agent.
(2) The Compensation Warrants are subject to the same acceleration terms as the Unit Warrants. See "Plan of Distribution".

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

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of it securities, and does not intend to apply to list of 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 Company has applied to list the Unit Shares on the Canadian Securities Exchange. Listing will be subject to the Company fulfilling all the initial listing requirements of the Canadian Securities Exchange, including distribution of the Unit Shares to a minimum number of public holders. See "Plan of Distribution".

An investment in the Units is speculative and is subject to a number of risks that should be considered by a prospective purchaser. An investment in a natural resource issuer involves a significant degree of risk. The degree of risk increases substantially where the issuer's properties are in the mineral exploration stage as opposed to the development stage, as in the present instance. Prospective purchasers should carefully consider the risk factors described under "Risk Factors" before purchasing the Units.

It is expected that one or more global certificates evidencing the Unit Shares and the Unit Warrants distributed under this Prospectus will be issued in registered form to CDS Clearing and Depository Services Inc. ("**CDS**") and will be deposited with CDS on the Closing Date; except as may be required under applicable securities laws, including the U.S. Securities Act. No certificate evidencing the Unit Shares or the Unit Warrants will be issued to purchasers, unless requested or required under applicable securities laws, and registration will be made in the depository service of CDS. Except as set forth above, purchasers of the Units will receive only a customer confirmation from the Agent or other registered dealer who is a CDS participant (a "**CDS Participant**") and from or through whom a beneficial interest in the Units is purchased. Notwithstanding the foregoing, any Unit Shares and the Unit Warrants issued in the United States or to, or for the benefit of any U.S. Person or person in the United States, will be deemed "*restricted securities*", as defined in Rule 144 of the U.S. Securities Act, and will only be issued in compliance with applicable securities laws, which may require issuance of such securities in certificated form.

Each of: (i) Stuart Smith, a director of the Company; (ii) Tero Kosonen, a director of the Company; and (iii) Carl Swensson, VP Exploration and a director of the Subsidiaries reside outside of Canada and have appointed the following agent for service of process:

Name of Agent	Address of Agent
DuMoulin Black LLP	10th Floor, 595 Howe Street, Vancouver, British Columbia, V6C 2T5

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

Prospective investors in the Units should rely only on the information contained in this Prospectus. Neither the Company nor the Agent has authorized anyone to provide investors with any different or additional information. If anyone provides prospective purchasers with any additional or different or inconsistent information, including information or statements in media articles about the Company, prospective purchasers are warned not to rely on it. Neither the Company nor the Agent is offering to sell the Units in any jurisdiction where the offer or sale is not permitted. Subject to the Company's obligations under applicable securities laws, the information contained in this Prospectus is accurate only as of the date of this Prospectus regardless of the time of delivery of this Prospectus or of any sale of the Units.

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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GLOSSARY OF GENERAL TERMS

The following is a glossary of certain general terms used in this Prospectus:

Agency Agreement	means the agency agreement dated **[●]**, 2020 between the Agent and the Company in respect of the Offering.
Agent	means Haywood Securities Inc.
Agent's Commission	means the cash commission to be paid on the Closing Date by the Issuer to the Agent pursuant to the Agency Agreement in an amount equal to 8% of the gross proceeds of the Offering.
Asset Purchase and Sale Agreement	means that purchase and sale agreement dated February 26, 2019 between the Company and the Vendors whereby the Company purchased 100% of the issued and outstanding shares of Romardo Copper (NSW) Pty Ltd.
Assignment Agreement	means that assignment agreement dated December 31, 2017 between the Company and Ore Capital whereby Ore Capital assigned all the rights and obligations to three mineral property agreements to the Company.
Binding Term Sheet	means that exploration licence agreement dated June 6, 2017 between Ore Capital Partners Ltd. (as licensee) and the Vendors whereby the Vendors granted the licensee the exclusive right to exploration licence applications and targets, that was subsequently assigned to the Company as successor licensee on December 31, 2017.
Board	means the board of directors of the Company.
CDS	means CDS Clearing and Depository Services Inc.
Closing Date	means the day on which the Offering is closed, to occur within 90 days of the Effective Date, or such later date as the Securities Commissions may permit.
Common Share, or Share	means a common share without par value in the capital stock of the Company.
Company, Issuer, we, or us	means Inflection Resources Ltd.
Compensation Options	means the non-transferable options to be granted on the Closing Date by the Company to the Agent pursuant to the Agency Agreement, to purchase Units in an amount equal to 8% of the number of Units sold under the Offering, at $0.25 per Compensation Option for eighteen (18) months from the Closing Date.
Compensation Warrants	means the non-transferable common share purchase warrants underlying the Compensation Options, with each such warrant exercisable to purchase one Compensation Warrant Share at an exercise price of $0.40 per share for a period of 18 months from the Closing Date, subject to the same acceleration clause as the Unit Warrants.
Compensation Warrant Shares	means the Common Shares issuable upon exercise of the Compensation Warrant.

Corporate Finance Fee	means the sum of $25,000 (plus applicable taxes) payable by the Company to the Agent pursuant to the Agency Agreement, of which $10,000 plus GST has been paid and balance of $15,000 plus GST is payable on the Closing Date.
Effective Date	means the date the Securities Commissions issue a final receipt for this Prospectus.
Escrow Agent	means Endeavor Trust Corporation.
Escrow Agreement	means the agreement dated effective **[●]**, 2020 among the Company, the Escrow Agent, and certain shareholders of the Company whereby the Escrowed Shares are held in escrow by the Escrow Agent.
Escrowed Shares	means those 21,862,501 previously issued Shares which are subject to the Escrow Agreement.
Exchange or CSE	means the Canadian Securities Exchange.
Farm-In Agreement	means that exploration farm-in agreement dated March 15, 2017, as amended on December 20, 2018 and as further amended on November 22, 2019, between the Company (as successor to Ore Capital and Oakland Gold Pty Ltd) and Australian Consolidated Venture Capital Pty Ltd. whereby the Company has agreed to earn up to a 100% interest in the Joint Venture Property.
Insider	means a director or senior officer of the Company; a director or senior officer of a company that is an insider or subsidiary of the Company; a person that beneficially owns, directly or indirectly, or controls or has direction over, or a combination of such ownership and control and direction over, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Company; or the Company itself if it holds any of its own securities.
Joint Venture Property	means all property and assets of the joint venture established under the Farm-In Agreement, including: (i) the mining tenements established thereunder; (ii) mining information, data and records; (iii) all fixtures, machinery, equipment and other property or rights of any description acquired with funds of such joint venture; and (iv) all minerals derived by such joint venture prior to being taken by or delivered to a holder of a participating interest in such joint venture.
Listing Date	means the date the Company's Shares are first listed for trading on the Exchange.
Named Executive Officers, or NEOs	means Alistair Waddell (the Company's CEO) and Alain Voisin (the Company's CFO).
NI 41-101	means National Instrument 41-101, *General Prospectus Requirements.*
NI 43-101	means National Instrument 43-101, *Standards of Disclosure for Mineral Projects*.
NI 52-110	means National Instrument 52-110 *Audit Committees.*
NI 58-101	means National Instrument 58-101 *Disclosure of Corporate Governance Practices.*
NP 46-201	means National Policy 46-201 *Escrow for Initial Public Offerings.*
NP 58-201	National Policy 58-201 *Corporate Governance Guidelines.*
Offering	means the offer for sale by the Company of the Units at the Offering Price in accordance with the terms of the Agency Agreement and this Prospectus.

Offering Price	means $0.25 per Unit.
Ore Capital	means Ore Capital Partners Ltd.
Plan	means the Company's 10% rolling stock option plan.
Property	means, collectively, those seventeen non-surveyed non-contiguous exploration licences and two exploration licence applications totaling 484,500 hectares located near the town of Nyngan within the Orange Mining division of New South Wales, Australia, collectively referred to as the Northern NSW Romardo Project. See "Description of Mineral Property".
Prospectus	means this Prospectus.
Report	means the technical report prepared in compliance with NI 43-101 pertaining to the Property, authored by Derrick Strickland, P. Geo., dated effective December 31, 2019, entitled "*NI 43-101 Technical Report on the Romardo Project New South Wales Australia at 147º 30' East Longitude and 31º 17' South Latitude*", a summary of which is contained herein.
Romardo Copper	means Romardo Copper (NSW) Pty Ltd.
Securities Commissions	means the securities regulatory authorities in each of the Selling Provinces.
SEDAR	means System for Electronic Document Analysis and Retrieval, the electronic filing system for the disclosure documents of public companies and investment funds across Canada.
Selling Provinces	means British Columbia, Alberta and Ontario, the three provinces in which this Prospectus has been filed and in which the Offering will be made.
Subsidiaries	means the Company's wholly-owned subsidiaries: Australian Consolidated Gold Holdings Pty Ltd, ACGH II Pty Ltd and Romardo Copper (NSW) Pty Ltd.
Superseding Agreement	means that exploration licence agreement dated July 1, 2018 between the Company and the Vendors that amended the consideration and commitments payable to the Vendors under the Binding Term Sheet.
Transfer Agent	means National Securities Administrators Ltd.
Unit Shares	means the common shares partially comprising the Units.
Unit Warrants	means the common share purchase warrants partially comprising the Units, with each such warrant exercisable to purchase one Warrant Share at an exercise price of $0.40 per share for a period of 18 months following the Closing Date.
Vendors	means, collectively, Romardo Group Pty Ltd., Douglas William Haynes, Douglas Haynes Discovery Pty Ltd., Mareko Pty Ltd. ATF Gold Investment Trust and Robert Henrick Skrzeczynski.
Warrant Agent	means Endeavor Trust Corporation.
Warrant Indenture	means the warrant indenture dated as of **[●]** between the Company and the Warrant Agent.
Warrant Shares	means the Common Shares issuable upon exercise of the Unit Warrants.

GLOSSARY OF GEOLOGICAL TERMS

The following is a glossary of certain geological terms used in this Prospectus:

Au	*is the chemical symbol for gold.*
Acid Volcanic	*means a volcanic rock with >66% silica.*
Andesite	*means an intermediate volcanic rock composed of andesine and one or more mafic minerals.*
Aeromagnetic	*means a survey undertaken by helicopter or fixed-wing aircraft for the purpose of recording magnetic characteristics of rocks by measuring deviations of the earth's magnetic field.*
Airborne Geophysical Data	*means data pertaining to the physical properties of the earth's crust at or near surface and collected from an aircraft.*
Alluvial	*means material transported and deposited by a river.*
Alteration	*means the change in minerals that can occur when rock units are subjected to hydrothermal solutions often associated with intrusive rocks or with areas of volcanic activity.*
Anomaly	*means an area which exhibits either elevated metal concentrations in surface materials or magnetic, electro-magnetic or other exploration related responses potentially indicative of underlying mineral deposits.*
Argillite	*means a highly compacted sedimentary or slightly metamorphosed sedimentary rock consisting primarily of particles of clay or silt.*
Basalt	*means a volcanic rock of low silica (<55%) and high iron and magnesium composition, composed primarily of plagioclase and pyroxene.*
Basement	*means any solid rock underlying unconsolidated material.*
Bouguer Anomaly	*means a gravity anomaly, corrected for the height at which it is measured and the attraction of terrain.*
Breccia	*means a type of rock that is comprised of fragments of other rock units and which can be formed either by extrusive or intrusive volcanic processes, sedimentary processes or by tectonic or structural deformation.*
Cambrian	*means the geologic era spanning from 570 to 500 Ma before present.*
Conglomerate	*means a sedimentary rock consisting of individual rounded fragments within a finer-grained matrix that have become cemented together.*
Craton	*means an old and relatively stable and immobile region of the crust.*
Cu	*is the chemical symbol for copper.*
Diamond Drill Hole	*means mineral exploration hole completed using a diamond set or diamond impregnated bit for retrieving a cylindrical core of rock.*
Devonian	*means the geologic era from 405 to345 Ma before present.*

Diamictite	*means a type of lithified sedimentary rock that consists of poorly sorted sedimentary rock containing particles that range in size from clay to boulders, suspended in a fine to medium size clastic matrix.*
Diorite	*means an intrusive igneous rock of intermediate composition composed principally of the silicate minerals plagioclase feldspar (typically andesine), biotite, hornblende, and/or pyroxene.*
Epithermal	*means mineral deposits deposited from warm waters at shallow depths.*
Fault	*means a fracture in bedrock along which there has been movement, usually along a roughly planar surface.*
Feldspar	*means a group of rock forming minerals.*
Felsic	*means an adjective indicating that a rock contains abundant feldspar and silica.*
Fluvial	*means processes associated with rivers and streams.*
g/t	*means grams per tonne, a standard mass unit for demonstrating the concentration of elements in a rock.*
Geochemical Surveys	*means a type of mineral exploration survey that involves collecting samples of soil, stream sediments or rocks to assist in the identification of prospective areas for mineralisation.*
Geophysical Surveys	*means a type of mineral exploration survey that involves measuring electrical, magnetic and other physical properties of the rocks underlying a particular survey area to identify geophysical Anomalies which may indicate the location of mineral deposits. Geophysical Surveys can be completed over areas on the ground or over large areas by aircraft mounted survey equipment.*
Granite	*means a coarse-grained igneous rock containing mainly quartz and feldspar minerals and subordinate micas.*
Gravity Survey	*means the measurement of the force due gravity at a point on the earth's surface to determine changes in density.*
Growth Fault	*means a Fault along which vertical or sub-vertical movement occurs during the deposition of sediments.*
Hydrothermal	*means the heated, usually acidic solutions within the earth's crust which are known to move and precipitate minerals which form mineral deposits.*
Igneous	*means rocks that have solidified from magma.*
Intermediate	*means a rock unit which contains a mix of felsic and mafic minerals.*
Intrusions	*means a body of igneous rock which has forced itself into pre-existing rocks.*
Magnetic Survey	*means a geophysical survey method which records spatial variation in the Earth's magnetic field.*
Mineralization	*means a natural accumulation or concentration in rocks or soil of one or more potentially economic minerals, also the process by which minerals are introduced or concentrated in a rock.*

Naudy Solutions	*means geophysical calculations that allow the application of a reliable automatic interpretation method to large aeromagnetic datasets as part of processing, that permits production of preliminary maps of structure and their depths on a routine basis. This can be done in much the same way as geophysical maps that show the calculated first vertical derivative. This magnetic interpretation method involves measuring a number of shape features on a profile across a geophysical magnetic anomaly and building a 'best fit' of these measurements to theoretical values for a vertical dyke. Both distance and amplitude measurements may be interpreted using this method.*
Overburden	*means surface soils and loose or unconsolidated rock material. When this material overlies a mineral deposit, it must be removed prior to mining.*
Ordovician	*means the geological time span from between 488 and 444 million years ago.*
Palaeozoic	*means a geological era from 541 to 252 million years ago.*
Pelite	*means a sediment or sedimentary rock composed of fine fragments, as of clay or mud.*
Pluton	*means a mass of igneous rock formed of molten material intruded at depth in the earth's crust.*
Post Tectonic	*means formed after the cessation of a tectonic event or process.*
Potential Field Methods	*means the use of gravity and magnetics surveys.*
Porphyry	*means an igneous rock of any composition that contains conspicuous crystals in a fine grained groundmass.*
ppm	*means parts per million. A measure of concentration of an element in a solid or liquid.*
Proterozoic	*means an era of geological time spanning the period from 2,500 million years to 570 million years before present.*
Pyrite	*means a common iron sulphide mineral.*
Radiometric Data	*means the data collected from recording the gamma ray emissions from the radioactive isotopes of uranium, potassium and thorium.*
Sedimentary Rock	*means those rocks formed by the processes of deposition and solidification of surface materials and includes siltstones, shales, sandstones, limestones sedimentary breccias and conglomerates.*
Soil Geochemistry	*means a type of Geochemical Survey that involves collecting samples of Overburden at regular intervals on or beneath the ground which may overlie and hide altered or mineralized bedrock. By chemically analyzing these samples it is possible to identify anomalies which overlie areas of bedrock mineralisation beneath.*
Stockwork	*means a rock consisting of closely spaced small veins of minerals which in some cases represent mineral deposits which may be bulk mined in open pits or underground.*
Stratigraphic	*means composition, sequence and correlation of stratified rocks.*
Sulphide	*means a mineral made up of sulphur and one or more metals.*
Syntectonic	*means formed at the same time a tectonic event or process.*

Tectonic	*means structural effects such as faulting which occur in the earth's crust in response to stress produced by plate tectonic or other geological processes.*
Thrust Fault	*means a shallow angle fault in which rocks from a lower (older) stratigraphic position have been pushed up and over younger higher strata. Thrust faults are the result of compressional forces in the Earth's crust.*
Tuff	*means a type of rock consisting of consolidated volcanic ash ejected from vents during a volcanic eruption.*
Ultramafic	*means igneous rocks consisting essentially of ferromagnesian minerals with trace quartz and feldspar.*
Weathering	*means the process of disintegration of rocks by physical and chemical processes on the earth's surface.*

NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this Prospectus constitute forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this Prospectus should not be unduly relied upon. These statements are current only as of the date of this Prospectus or as of the date specified in the documents incorporated by reference into this Prospectus, as the case may be. The Company does not have any policies or procedures in place concerning the updating of forward-looking information other than those required under applicable securities laws.

In particular, this Prospectus contains forward-looking statements pertaining to the following:

- completion of exploration work programs on the Property;
- capital and general expenditures;
- expectations regarding the ability to raise capital; and
- treatment under governmental regulatory regimes.

Assumptions underlying the expected nature and cost of the exploration program on the Property are as set forth in the Report. Assumptions underlying our working capital requirements are based on management's experience with other public companies in the junior mineral exploration sector. Forward-looking statements pertaining to the Company's need for and ability to raise capital in the future are based on the projected costs of operating a junior mineral exploration company, and management's experience with raising funds in current market circumstances. Forward-looking statements regarding treatment by governmental authorities, assumes no material change in regulations, policies, or the application of the same by such authorities.

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

- risks inherent in our operations;
- uncertainties associated with mineral exploration;
- weather and working conditions;
- competition for, among other things, capital, acquisitions, equipment and skilled personnel;
- fluctuations in metal prices and stock market volatility; and
- the other factors discussed under "*Risk Factors*".

This list of factors should not be construed as exhaustive.

SUMMARY OF PROSPECTUS

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. Unless otherwise noted, all currency amounts are stated in Canadian dollars.

The Company

The Company was incorporated on May 9, 2017 pursuant to the *Business Corporations Act* (British Columbia).

The Company has three wholly owned subsidiaries:

(i) Australian Consolidated Gold Holdings Pty Ltd ACN 619 975 405, incorporated in Queensland, Australia;

(ii) ACGH II Pty Ltd ACN 623 704 898, incorporated in Queensland, Australia; and

(iii) Romardo Copper (NSW) Pty Ltd ACN 605 976 565, incorporated in Queensland, Australia.

See "Corporate Structure".

To date, the Company's principal business activities have been: entering into the Assignment Agreement (as defined herein), which provided for the Company's acquisition of each of the Northern NSW Romardo Project (the "Property"), the AI Project and the Carron Project; raising initial equity funding; undertaking initial work on the Property; commissioning the Report on the Property; and seeking a listing on the Exchange. See "Description of the Company's Business" for details.

The Northern NSW Romardo Project is the Company's principal property and consists of seventeen 100% owned non-surveyed non-contiguous exploration licences ("EL") totalling 1,271 units (381,300 hectares) and two EL applications totalling 344 units (103,200 hectares) located in the Lachlan Fold Belt region of New South Wales, Australia. Eleven of the EL were acquired pursuant to the Binding Term Sheet (as defined herein) that was subsequently replaced by the Superseding Agreement (as defined herein). Two of the EL were acquired pursuant to the Asset Purchase and Sale Agreement (as defined herein). Four of the EL and the two EL applications were staked by the Company directly.

The AI Project and Carron Project round out the Company's portfolio of mineral properties but do not form part of the Property, and are not the primary focus of the Company's exploration activities.

The Offering

A Minimum Offering of 8,000,000 Units raising gross proceeds of $2,000,000 and a Maximum Offering of 14,000,000 Units raising gross proceeds of $3,500,000.

Issue Price

CDN$0.25 per Unit.

Each Unit consists of one Unit Share and one-half of one Unit Warrant. Each whole Unit Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of $0.40 for a period of 18 months following the Closing Date. If, following the closing of the Offering, the closing price of the Common Shares in the capital of the Company on the CSE, or such other stock exchange on which the Common Shares are listed, if the Common Shares are listed on any stock exchange, is equal to or greater than $0.80 for any 10 consecutive trading days, the Company may, upon providing written notice to the holders of Unit Warrants, accelerate the expiry date of the Unit Warrants to the date that is 30 days following the date of such written notice. See "Plan of Distribution" and "Description of Securities Distributed" for details.

Agent's Consideration

The Agent will receive on the Closing Date: (i) the Agent's Commission; (ii) the Compensation Options; (iii) the Corporate Finance Fee; and (iv) reimbursement of its expenses and all applicable taxes. This Prospectus qualifies the distribution of the Compensation Options. See "Plan of Distribution" for details.

Use of Proceeds

The net proceeds to the Company from the Offering, after the payment of all expenses in connection with the Offering (estimated to be $174,000**)**, as well as the Agent's Commission, are estimated to be $1,666,000 for the Minimum Offering and $3,046,000 for the Maximum Offering. The Company will use the funds available from the Offering and its working capital (estimated to be $1,880,000 at March 31, 2020 as follows:

Principal Purpose	Amount to be Expended (Minimum Offering)	Amount to be Expended (Maximum Offering)
To fund the initial Phase I exploration program on the Property	$2,530,000	$2,530,000
To fund the Phase II exploration program (follow-up drilling) on the Property	$Nil	$552,200
Annual permit fees	$90,000	$90,000
Reserve for asset acquisition investigations	$Nil	$100,000
General and administrative costs for 12 months	$787,500	$787,500
Unallocated working capital	$138,500	$866,300
Total	**$3,546,000**	**$4,926,000**

Directors and Officers

The Board of Directors of the Company consists of Alistair Waddell, Wendell Zerb, Tero Kosonen, Stuart Smith and Cecil R. Bond.

The Officers of the Company are Alistair Waddell (President and Chief Executive Officer), Wendell Zerb (Chairman), Carl Swensson (Vice President of Exploration), Alain Voisin (Chief Financial Officer) and Sandra Wong (Corporate Secretary).

See "Directors and Executive Officers" for details.

Consolidated Capitalization

The Company currently has 43,163,184 Shares outstanding (issued as: (i) 1 Share at $1.00 per Share; (ii) 3,300,000 Shares at $0.005 per Share; (iii) 15,895,000 Shares at $0.031 per Share; (iv) 5,955,000 Shares at $0.10 per Share; (v) 3,415,000 Shares at $0.20 per Share; (vi) 12,033,183 Shares at $0.22 per Share; and (vii) 2,565,000 Shares at $0.30 per Share). Upon closing of the Minimum Offering, the Company will have 51,163,184 Shares outstanding. Upon closing of the Maximum Offering, the Company will have 57,163,184 Shares outstanding. See "Prior Sales" for details.

Risk Factors

An investment in the Units should be considered highly speculative due to the nature of the Company's business, being that its principal mineral property is without any known body of commercial ore, and with limited exploration having been completed on the Property. The Property has no history of commercial mining operations, revenues, earnings or dividends. An investment in the Company's securities is suitable only for those knowledgeable and sophisticated investors who are willing to risk a loss of their entire investment. Investors should consult with their professional advisors to assess an investment in the Company's securities.

The Company's activities are subject to the risks normally encountered in the mineral resource exploration and mine development business. The following risk factors should be considered in connection with an investment in the Company: dilution to investors under the Offering; exploration and development risks; existing and potential environmental and other regulatory factors; liquidity concerns and future financing requirements; no history of operations, revenues, earnings or dividends; adverse consequences of the Company failing to maintain its mineral property interests; substantial capital expenditure requirements; operating hazards and risks; mineral prices; community relations; competition; title matters; political and economic changes; uninsurable risks; quarterly operating result fluctuations; and industry regulation.

See "Risk Factors" for more details.

Summary of Selected Financial Information

The following table summarizes selected audited financial data of the Company from the financial years ended September 30, 2019 and September 30, 2018, the financial period from incorporation on May 9, 2017 to September 30, 2017, and the interim unaudited financial data for the three months ended December 31, 2019. This information should be read in conjunction with the financial statements and the related notes thereto; together with management's discussion and analysis, as included elsewhere in this Prospectus:

Item	**Period Ended December 31, 2019 (Unaudited)**	**Year Ended September 30, 2019 (Audited)**	**Year Ended September 30, 2018 (Audited)**	**Period Ended September 30, 2017 (Audited)**
Revenues	$nil	$nil	$nil	$nil
Total expenses	($98,337)	($770,561)	($98,226)	($693)
Other items	($2,673)	($4,928)	$2,498	$nil
Net loss	($101,010)	($775,489)	($95,728)	($693)
Net loss per common share	($0.00)	($0.03)	($0.01)	($693.00)
Current assets	$1,280,828	$524,904	$540,147	$nil
Refundable security deposits	$173,318	$155,649	$127,413	$nil

Item	Period Ended December 31, 2019 (Unaudited)	Year Ended September 30, 2019 (Audited)	Year Ended September 30, 2018 (Audited)	Period Ended September 30, 2017 (Audited)
Exploration and evaluation assets	$2,078,827	$1,965,136	$1,064,031	$nil
Total assets	$3,532,973	$2,645,689	$1,731,591	$nil
Current liabilities	$275,617	$318,071	$103,011	$692
Working capital	$1,005,211	$206,833	$437,136	($692)
Long-term liabilities	$nil	$nil	$nil	$nil
Shareholders' equity (deficit)	$3,257,356	$2,327,618	$1,628,580	($692)
Cash dividends per share	$nil	$nil	$nil	$nil

See "Management's Discussion and Analysis" and the financial statements of the Company attached in Schedule "A" to this Prospectus for details.

Business Objectives and Milestones

The Company's short-term business objectives are to: (i) complete the Offering under this Prospectus; (ii) obtain a listing of its Shares on the Exchange; and (iii) undertake the exploration program on the Property as recommended in the Report. See "Description of the Company's Business" and "Use of Proceeds" for details.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated pursuant to the *Business Corporations Act* (British Columbia) on May 9, 2017 under the name "1118192 B.C. Ltd.". The Company changed its name to "Inflection Resources Ltd." on May 10, 2018.

The Company's head office and registered and records office is located at Suite 1100 - 595 Howe Street, Vancouver, British Columbia V6C 2T5.

The Company is not a reporting issuer in any jurisdiction and its Shares are not currently listed or posted for trading on any stock exchange.

Intercorporate Relationships

The Company has three wholly owned subsidiaries:

(i) Australian Consolidated Gold Holdings Pty Ltd ACN 619 975 405 incorporated in Queensland, Australia;

(ii) ACGH II Pty Ltd ACN 623 704 898 incorporated in Queensland, Australia; and

(iii) Romardo Copper (NSW) Pty Ltd ACN 605 976 565 incorporated in Queensland, Australia.

DESCRIPTION OF THE COMPANY'S BUSINESS

General

The Company's principal business purpose since incorporation has been to acquire an interest in, fund and explore the Property, with a view to obtaining a listing of its Shares on the Exchange.

The Company has taken the following steps to develop its business: (1) negotiated and on December 31, 2017 signed the Assignment Agreement to acquire three mineral property agreements including the Binding Term Sheet with the Vendors of the Property; (2) recruited directors and officers with the skills required to operate a publicly listed mineral exploration company; (3) raised an aggregate of $4,354,801 through the sale of its common shares; (4) issued an aggregate of 19,000,000 common shares of the Company with a fair value of $840,500 for the acquisition of mineral properties; (5) undertook an exploration program on the Property ($864,008), and commissioned the Report; and (6) engaged the Agent to assist the Company in completing the Offering and making an application for listing on the Exchange.

Significant Acquisitions and Dispositions

The Company has completed three significant acquisitions: (i) the Northern NSW Romardo Project located in the Lachlan Fold Belt region of New South Wales; (ii) the AI Project located in the Lachlan Fold Belt region of New South Wales; and (iii) the Carron Project located in Queensland.

The Northern NSW Romardo Project is the Company's principal property (the "Property"). The AI Project and Carron Project round out the Company's portfolio of mineral properties but do not form part of the Property and are not the primary focus of the Company's exploration activities.

The rights and obligations of these three mineral project agreements were acquired from Ore Capital on December 31, 2017 pursuant to the Assignment Agreement for consideration of 15,895,000 common shares of the Company with a fair value of $500,000. Ore Capital is a related party by reason of being the controlling shareholder of the Company at the time of the assignment and a significant shareholder of the Company as of the date of this Prospectus. The directors of Ore Capital are Tero Kosonen, a director of the Company, and Garry Stock. Mr. Kosonen holds 15.44%

of Ore Capital, Alistair Waddell, the President, Chief Executive Officer and a director of the Company, holds 14.30% of Ore Capital, and Carl Swensson, the VP Exploration of the Company, holds 2.72% of Ore Capital.

The Northern NSW Romardo Project – The Property

The Property consists of seventeen 100% owned non-surveyed non-contiguous exploration licences ("EL") totalling 1,271 units (381,300 hectares) and two EL applications totalling 344 units (103,200 hectares) located in the Lachlan Fold Belt region of New South Wales, Australia. Eleven of the EL were acquired pursuant to the Binding Term Sheet that was subsequently replaced by the Superseding Agreement. Two of the EL were acquired pursuant to the Asset Purchase and Sale Agreement. Four of the EL and the two EL applications were staked by the Company directly.

Binding Term Sheet dated June 6, 2017 - The Company agreed to acquire 100% interest in exploration licences and applications (the "Licences") in Northern New South Wales, Australia for consideration of AUD$205,000 (paid) and commitments to:

(i) incur AUD$500,000 (completed) in exploration expenditures on the Licences;

(ii) set up an Australian private company (the "Holdco") to hold the Licences, in which the Company shall have a 70% interest and the Vendors shall have a 30% interest;

(iii) pay a success fee of AUD$5,000 per Licence up to a maximum of AUD$60,000, payable half in cash and half in common shares upon Holdco going public; and

(iv) enter into a royalty deed with the Vendors for a 2.0% net smelter return royalty.

Superseding Agreement dated July 1, 2018 - The remaining terms of the Binding Term Sheet were terminated and replaced with the following consideration and commitments to acquire 100% interest in eleven Licences:

(i) pay AUD$25,000 (accrued);

(ii) issue 2,805,000 common shares of the Company (issued with a fair value of $280,500);

(iii) enter into a royalty deed with the Vendors for a 2.0% net smelter return royalty, of which the Company may purchase 1.0% for AUD$3,000,000 at any time; and

(iv) pay a success fee of AUD$5,000 per Licence up to a maximum of AUD$60,000, payable half in cash and half in common shares, at the option of the Company, upon the Company going public. The Company has elected to pay the success fee in cash.

Asset Purchase and Sale Agreement dated February 26, 2019 - The Company agreed to acquire 100% ownership interest in Romardo Copper, a private Australian company that holds 100% legal and beneficial interest in two EL totalling 186 units in the Lachlan Fold Belt region of New South Wales, subject only to a 2.0% net smelter returns royalty payable on the EL, of which the Company may purchase 1.0% for AUD$2,000,000 at any time and has a right of first refusal to purchase any NSR offered for sale by consideration paid in cash. Under the terms of the agreement and its amendments on November 22, 2019 and December 31, 2019, the Company agreed to the following consideration and optional expenditures solely at the discretion of the Company:

(i) cause Romardo Copper to repay AUD$16,767 (paid) in loans owing by Romardo Copper to the Vendors;

(ii) pay consideration of AUD$13,233 (paid) to the Vendors;

(iii) pay AUD$20,000 to the Vendors for reimbursement of security deposits upon the Company's successful listing on a public stock exchange;

(iv) pay AUD$500,000 in cash or common shares of the Company upon completion, solely at the option of the Company, of a pre-feasibility study;

(v) pay AUD$2,000,000 in cash or common shares of the Company upon completion, solely at the option of the Company, of a feasibility study; and

(vi) pay AUD$6,000,000 in cash on the decision, solely at the option of the Company, to commence construction of a mine.

The acquisition of Romardo Copper was completed on February 11, 2020.

As at the last financial year ended September 30, 2019, the Company has expended a total of $1,209,956 on the Property, consisting of $424,869 in acquisition costs and $785,087 in exploration costs. As at the last interim financial period ended December 31, 2019, the Company has expended a total of $1,288,887 on the Property, consisting of $424,869 in acquisition costs and $864,008 in exploration costs.

No valuation opinion has been completed on the Northern NSW Romardo Project.

Table 1: Northern NSW Romardo Project Exploration Licences

EL	Name	Grant Date	Expiry Date	Company	Area (Units)	Size (Ha)	Annual Fee AUD
EL8421	Mt. Harris	18-Apr-19	17-Feb-25	Romardo Copper (NSW) Pty Ltd	42	12,600	$2,520
EL8422	East Marra	23-Apr-19	17-Feb-25	Romardo Copper (NSW) Pty Ltd	86	25,800	$5,160
EL8695	Canonba	26-Feb-18	26-Feb-24	Australian Consolidated Gold Holdings Pty	50	15,000	$3,000
EL8699	Bogan	5-Mar-18	5-Mar-24	Australian Consolidated Gold Holdings Pty	63	18,900	$3,780
EL8720	Brewarrina East	29-Mar-18	29-Mar-24	Australian Consolidated Gold Holdings Pty	116	34,800	$6,960
EL8730	Summervale	29-Mar-18	29-Mar-24	Australian Consolidated Gold Holdings Pty	30	9,000	$1,800
EL8739	Boorara	17-Apr-18	17-Apr-24	Australian Consolidated Gold Holdings Pty	74	22,200	$4,440
EL8744	Blackwater	15-May-18	15-May-24	Australian Consolidated Gold Holdings Pty	104	31,200	$6,240
EL8750	Yahgunyah	24-May-18	24-May-24	Australian Consolidated Gold Holdings Pty	100	30,000	$6,000
EL8770	Branglebar	9-Jul-18	9-Jul-24	Australian Consolidated Gold Holdings Pty	81	24,300	$4,860
EL8771	Trangie	9-Jul-18	9-Jul-24	Australian Consolidated Gold Holdings Pty	57	17,100	$3,420
EL8848	Canonba North	23-Apr-19	23-Apr-25	Australian Consolidated Gold Holdings Pty	22	6,600	$1,320
EL8849	Aruluen	23-Apr-19	23-Apr-25	Australian Consolidated Gold Holdings Pty	83	24,900	$4,980
EL8857	North Trangie	17-Jun-19	17-Jun-25	Australian Consolidated Gold Holdings Pty	25	7,500	$1,500
EL8911	Nyngan	8-Nov-19	8-Nov-25	Australian Consolidated Gold Holdings Pty	45	13,500	$2,700
EL8912	Trangie West	8-Nov-19	8-Nov-25	Australian Consolidated Gold Holdings Pty	88	26,400	$5,280
EL8965	Duck Creek	6-Apr-20	6-Apr-23	Australian Consolidated Gold Holdings Pty	205	61,500	$12,400
ELA5923	Warren	Application		Australian Consolidated Gold Holdings Pty	292	87,600	TBC
ELA5924	Crooked Creek	Application		Australian Consolidated Gold Holdings Pty	52	15,600	TBC
				Totals	**1,615**	**484,500**	**$76,360**

The AI Project

The AI Project is the subject of a Lachlan Fold Belt Exploration Alliance Agreement (the “Alliance Agreement”) made between Ore Capital and BWG (the “Licensor”, an arm’s length party), dated May 1, 2017, subsequently assigned to the Company as successor to Ore Capital on December 31, 2017. The Company agreed to acquire the rights from BWG to use proprietary neural network data to assist with targeting potential projects in the Lachlan Fold Belt located primarily in New South Wales, Australia for a three year term ending May 1, 2020 (the “Licence Period”). Under the terms of the Alliance Agreement, the Company agreed to the following consideration and optional expenditures solely at the discretion of the Company:

(i) make cash payments of US$60,000 (paid);

(ii) during the Licence Period, incur at least US$250,000 (incurred) in exploration expenditures within the area covered by the proprietary data;

(iii) pay the Licensor a fee of US$10,000 for any Project Area selected by the Company, as defined in the agreement, within seven days of the Project Area becoming effective;

(iv) pay the Licensor a fee equal to 5% of all expenditures incurred on any Project Area, as defined in the agreement;

(v) for each mine established within a Project Area, the Licensor will receive a 2.0% net smelter royalty of which the Company may purchase 0.5% for US$1,000,000 at any time;

(vi) upon expiry of the Licence Period, the Company will return the proprietary data to the Licensor along with the right, title and interest in any mineral properties within the area covered by the proprietary data that have not been designated as “Project Areas” under the terms of the Alliance Agreement,

(vii) subsequent to the Licence Period and until May 1, 2023, the Company may acquire an interest in a mineral property within the area covered by the proprietary data by paying a 5% fee on all quarterly exploration expenditures incurred on the property by way of cash or shares to the Licensor, terminating on the date a decision to mine is made; and

(viii) subsequent to May 1, 2023, the Company may acquire an interest in a mineral property within the area covered by the proprietary data with no further compensation to the Licensor.

On April 1, 2018, the Company and the Licensor entered into a supplemental agreement to the Alliance Agreement whereby the Company agreed to issue CDN$60,000 worth of common shares to exclude certain properties from the area covered by the proprietary data. On February 14, 2019, the Company issued 300,000 common shares with a fair value of CDN$60,000 to the Licensor.

To date, the Company has acquired five exploration licences using the proprietary data but has not designated any Project Areas. The Alliance Agreement states that if the Company does not designate such mineral properties as Project Areas by April 30, 2020, the Company’s interest in such mineral properties will be transferred to BWG. The Company is currently seeking an extension from BWG to this deadline.

As at the last financial year ended September 30, 2019, the Company has expended a total of $510,181 in the AI Project, consisting of $217,337 in acquisition costs and $292,844 in exploration costs. As at the last interim financial period ended December 31, 2019, the Company has expended a total of $534,264 on the AI Project, consisting of $217,337 in acquisition costs and $316,927 in exploration costs.

No valuation opinion has been completed on the AI Project.

Table 2: AI Project Exploration Licences

EL	**Name**	**Grant Date**	**Expiry Date**	**Company**	**Area (Units)**	**Size (Ha)**	**Annual Fee AUD**
EL8664	Kennys Creek	23-Oct-2017	23-Oct-2023	ACGH II Pty Ltd	48	14,400	$4,880
EL8673	Stilwells Creek	17-Nov-2017	17-Nov-2023	ACGH II Pty Ltd	86	25,800	$5,160
EL8678	Vale Creek	08-Dec-2017	08-Dec-2023	ACGH II Pty Ltd	35	10,500	$2,100
EL8683	Coolac	23-Jan-2018	23-Jan-2024	ACGH II Pty Ltd	31	9,300	$1,860
EL8864	Morongla Creek	17-Jun-2019	17-Jun-2025	ACGH II Pty Ltd	15	4,500	$900
				Totals	**215**	**64,500**	**$14,900**

The Carron Project

The Carron Project is the subject of an Exploration Farm-in Agreement (the “Farm-In Agreement”) executed with Oakland Gold Pty Ltd (the “Optionor”, an arm’s length party), dated March 15, 2017, assigned to Ore Capital on May 1, 2017, and subsequently further assigned to the Company as successor to Ore Capital on December 31, 2017. The Company agreed to earn up to a 100% participating interest in all property and assets of the joint venture established under the Farm-In Agreement (the “Joint Venture Property”) to acquire, explore and develop an exploration licence in Queensland, Australia. Under the terms of the Farm-In Agreement, and its subsequent amendments dated December 20, 2018 and November 22, 2019, the Company agreed to the following consideration and commitments:

(i) elect to earn 15% of the issued share capital in the Optionor by incurring no less than AUD$110,000 (incurred) on or before December 31, 2017, including the completion of an airborne magnetics survey by no later than September 20, 2017 (completed) and a reimbursement of AUD$25,000 (paid) for costs already incurred by the Optionor, in lieu of acquiring any participating interest in the Joint Venture;

(ii) earn a 50% participating interest in the Joint Venture Property (earned) by incurring no less than AUD$297,172 (the "Minimum Expenditure") on or before September 30, 2019 (the "Initial Earn-in Date"), including the completion of an airborne magnetics survey and a reimbursement of AUD$50,000 (paid) for costs already incurred by the Optionor (the "Stage 1 Earn-in");

(iii) earn a further 20% interest to bring the Company's participation interest to 70% if it elects within three years of the Initial Earn-in Date to incur a further AUD$1,000,000 (the "Additional Expenditure") in mineral exploration expenditures, with a substantial portion being the cost of drilling (the "Stage 2 Earn-in"); and

(iv) Following the Stage 2 Earn-in Date, the Company may elect at its sole discretion to either:

(a) acquire a further 30% interest to bring its participation interest to 100% by issuing a number of common shares of the Company to the Optionor based on a formula determined by an independent valuator; or

(b) acquire a further 20% interest to bring its participation interest to 90% by completing a feasibility study (the "Stage 3 Earn-in"). Where the Company achieves a Stage 3 Earn-in, the Company shall enter into a Royalty Deed agreement with the Optionor. Within 60 days of the Stage 3 Earn-in Date, the Optionor may elect to contribute to expenditure in proportion to its 10% participating interest in a bankable feasibility study and if the Optionor does not make such election, then its 10% interest shall be converted into a royalty.

To date, the Company has earned a 50% interest in the Carron Project. As at the last financial year ended September 30, 2019, the Company has expended a total of $244,999 in the Carron Project, consisting of $95,214 in acquisition costs and $149,785 in exploration costs. As at the last interim financial period ended December 31, 2019, the Company has expended a total of $255,686 on the Carron Project, consisting of $95,214 in acquisition costs and $160,472 in exploration costs.

No valuation opinion has been completed on the Carron Project.

Table 3: Carron Project Exploration Licences

EL	**Name**	**Grant Date**	**Expiry Date**	**Company**	**Area (Units)**	**Size (Ha)**	**Annual Fee AUD**
EPM25882	Carron	21-Sep-2015		Oakland Gold	100	32,600	$6,000
EPM25882	Carron West	Application		Oakland Gold	60	19,600	$3,600
				Totals	**160**	**52,200**	**$9,600**

History Since Incorporation

The Company was incorporated on May 9, 2017 under the name 1118192 B.C. Ltd. with the issuance of 1 incorporation Share at $1.00.

On June 23, 2017, the Company incorporated Australian Consolidated Gold Holdings Pty Ltd ACN 619 975 405, a wholly-owned subsidiary, in Queensland, Australia, for the purpose of holding the exploration licences to be acquired pursuant to the Northern NSW Romardo Project.

On December 31, 2017, the Company entered into an Assignment Agreement with Ore Capital to acquire all the rights and obligations to three mineral property agreements as successor to Ore Capital, with respect to (i) the Northern NSW

Romardo Project; (ii) the AI Project; and (iii) the Carron Project. The consideration paid for the property agreements was the issuance of 15,895,000 Shares at $0.031 per Share for total fair value of $500,000.

On January 8, 2018, the Company incorporated ACGH II Pty Ltd ACN 623 704 898, a wholly-owned subsidiary, in Queensland, Australia, for the purpose of holding the exploration licences to be acquired pursuant to the AI Project.

On February 1, 2018, Alistair Waddell was appointed as a director of the Company and Carl Swensson was appointed as Vice President, Exploration. The Company issued a total of 3,300,000 Shares for consideration ($0.005 per Share) to Messrs. Waddell and Swensson.

On April 1, 2018, the Company and the licensors of the AI Project entered into a supplemental agreement to exclude certain properties from the project area for consideration of $60,000 which was paid in Shares on February 14, 2019.

On May 9, 2018, Alistair Waddell was appointed as the President and Chief Executive Officer and Alain Voisin was appointed as the Chief Financial Officer of the Company.

On May 10, 2018, the Company changed its name to Inflection Resources Ltd.

On June 4, 2018, the Company completed a private placement of 3,150,000 Shares at $0.10 per Share for gross proceeds of $315,000.

On July 1, 2018, the Company and the Vendors of the Northern NSW Romardo Project entered into a Superseding Agreement to replace the Binding Term Sheet.

On July 1, 2018, the Company issued 2,805,000 Shares at $0.10 per Share for fair value of $280,500 to the licensors of the AI Project.

In July 2018, the Company completed private placements of 3,065,000 Shares at $0.20 per Share for gross proceeds of $613,000.

In October and November 2018, the Company undertook a total of 15,014 line-kilometres airborne geophysical surveys in two separate campaigns on the Property in order to refine target selection.

On December 20, 2018, the Company and the optionors of the Carron Project extended the date that the minimum expenditures were required to earn a 50% participating interest in the Carron Project from December 31, 2018 to September 20, 2019.

On February 14, 2019, the Company issued 300,000 Shares at $0.20 per Share for fair value of $60,000 to the licensors of the AI Project.

On February 20, 2019, the Company completed a private placement of 50,000 Shares at $0.20 per Share for gross proceeds of $10,000.

On February 26, 2019, as amended December 31, 2019, the Company and the Vendors of the Northern NSW Romardo Project entered into an Asset Purchase and Sale Agreement for the Company to acquire 100% of the outstanding shares of Romardo Copper (NSW) Pty Ltd.

On March 20, 2019, Cecil R. Bond, Tero Kosonen, Stuart Smith and Wendell Zerb were appointed as directors of the Company and Sandra Wong was appointed as Secretary of the Company.

On March 21, 2019, the Company approved a Stock Option Plan and granted 2,210,000 incentive stock options exercisable at $0.20 per Share for a five year term to directors, officers, employees and consultants of the Company.

In April 2019, the Company completed private placements of 2,535,000 Shares at $0.30 per Share for gross proceeds of $760,500. A finder’s fee of $9,000 cash and 30,000 Shares at $0.30 per Share was paid on a portion of the private placement.

On November 22, 2019, the Company and the optionors of the Carron Project amended the minimum expenditures required to earn a 50% participating interest in the Carron Project to the $297,172 advanced as of September 30, 2019 and the Company has earned a 50% participating interest in the Carron Project as of September 30, 2019.

On December 10, 2019, the Company held an Annual General Meeting of Shareholders where the five directors of the Company were elected to hold office for the ensuring year and Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, was appointed as auditor for the ensuing year. Wendell Zerb was appointed as the Chairman of the Company.

On December 19, 2019, the Company completed a unit private placement of 5,768,638 units at $0.22 per unit for gross proceeds of $1,269,100. Each unit consist of one Share and one share purchase warrant exercisable into one Share at a price of $0.30 per Share for a 30 month term.

On December 19, 2019, the Company issued 3,456,818 common share purchase warrants, with each warrant exercisable into one Share at a price of $0.30 per Share for a 30-month term, to the subscribers of the April 5, 2019 private placement.

On January 31, 2020, the Company completed a unit private placement of 6,264,545 units at $0.22 per unit for gross proceeds of $1,378,200. Each unit consist of one Share and one share purchase warrant exercisable into one Share at a price of $0.30 per Share for a 30 month term. In connection with the unit private placement, the Company entered into a subscription agreement with RCF Opportunities Fund L.P. whereby the Company granted RCF Opportunities Fund L.P. the right to participate in future financings on a pro-rata basis in proportion to its percentage interest for as long as it beneficially owns or controls at least 5% of the Company's issued and outstanding shares on an undiluted basis. At the date of this Prospectus, RCF Opportunities Fund L.P. owns or controls 9.48% of the issued and outstanding shares of the Company on an undiluted basis. It will hold 7.98% of the issued and outstanding shares of the Company on an undiluted basis if the Minimum Offering is completed or 7.14% if the Maximum Offering is completed (assuming it does not participate in the Offering).

On February 11, 2020, the Company completed the acquisition of Romardo Copper (NSW) Pty Ltd.

On March 10, 2020, the Company granted 1,980,000 incentive stock options exercisable at $0.30 per Share for a five year term to directors, officers, and employees of the Company. The options will vest six months from the date of grant.

The Company intends to fund the next phase of exploration work on the Property, as recommended in the Report (see "Description of Mineral Property – Recommendations") using the proceeds of the Offering. See "Use of Proceeds" for details.

DESCRIPTION OF MINERAL PROPERTY

Northern NSW Romardo Property Technical Report

The Northern NSW Romardo Project is the Company's principal mineral project. The Property is 100% owned by the Company, acquired pursuant to the terms of the Binding Term Sheet, the Superseding Agreement and the Asset Purchase and Sale Agreement. The Report on the Property has been prepared for the Company by Derrick Strickland, P. Geo. (the "Author") and is entitled "*NI 43-101 Technical Report on the Romardo Project New South Wales Australia at 147º 30' East Longitude and 31º 17' South Latitude*". The Author is the Qualified Person for the Report and is independent of the Issuer as those terms are defined in NI 43-101. The Report will be available for review under the Issuer's profile on SEDAR. A copy of the Report may also be inspected during the period of the Offering and for 30 days thereafter at the Company's registered office at 1100 – 595 Howe Street, Vancouver, British Columbia. The following summary derived from the Report. Portions of this summary are based on assumptions, qualifications and procedures which are described in the Report but are not fully described in this Prospectus. Sources of information for portions of this summary are listed in the References section of the Report.

Property Description and Location

The centre of the Northern NSW Romardo Project is located approximately 450 km northwest of Sydney, within the counties of Narromine, Clyde and Orange Mining division of New South Wales, Australia. The town of Nyngan is located approximately in the centre of the area of interest.

The Property consists of seventeen 100% owned non-surveyed non-contiguous exploration licences ("EL") totalling 1,271 units (381,300 hectares) and two EL applications totalling 344 units (103,200 hectares) held through the Company's wholly owned subsidiaries, Australian Consolidated Gold Holdings Pty Ltd and Romardo Copper (NSW) Pty Ltd. The following table provides the exploration licence details.

Table 4: Exploration Licences

EL	Name	Grant Date	Expiry Date	Company	Area (Units)	Size (Ha)	Annual Fee AUD
EL8421	Mt. Harris	18-Apr-19	17-Feb-25	Romardo Copper (NSW) Pty Ltd	42	12,600	$2,520
EL8422	East Marra	23-Apr-19	17-Feb-25	Romardo Copper (NSW) Pty Ltd	86	25,800	$5,160
EL8695	Canonba	26-Feb-18	26-Feb-24	Australian Consolidated Gold Holdings Pty	50	15,000	$3,000
EL8699	Bogan	5-Mar-18	5-Mar-24	Australian Consolidated Gold Holdings Pty	63	18,900	$3,780
EL8720	Brewarrina East	29-Mar-18	29-Mar-24	Australian Consolidated Gold Holdings Pty	116	34,800	$6,960
EL8730	Summervale	29-Mar-18	29-Mar-24	Australian Consolidated Gold Holdings Pty	30	9,000	$1,800
EL8739	Boorara	17-Apr-18	17-Apr-24	Australian Consolidated Gold Holdings Pty	74	22,200	$4,440
EL8744	Blackwater	15-May-18	15-May-24	Australian Consolidated Gold Holdings Pty	104	31,200	$6,240
EL8750	Yahgunyah	24-May-18	24-May-24	Australian Consolidated Gold Holdings Pty	100	30,000	$6,000
EL8770	Branglebar	9-Jul-18	9-Jul-24	Australian Consolidated Gold Holdings Pty	81	24,300	$4,860
EL8771	Trangie	9-Jul-18	9-Jul-24	Australian Consolidated Gold Holdings Pty	57	17,100	$3,420
EL8848	Canonba North	23-Apr-19	23-Apr-25	Australian Consolidated Gold Holdings Pty	22	6,600	$1,320
EL8849	Aruluen	23-Apr-19	23-Apr-25	Australian Consolidated Gold Holdings Pty	83	24,900	$4,980
EL8857	North Trangie	17-Jun-19	17-Jun-25	Australian Consolidated Gold Holdings Pty	25	7,500	$1,500
EL8911	Nyngan	8-Nov-19	8-Nov-25	Australian Consolidated Gold Holdings Pty	45	13,500	$2,700
EL8912	Trangie West	8-Nov-19	8-Nov-25	Australian Consolidated Gold Holdings Pty	88	26,400	$5,280
EL8965	Duck Creek	6-Apr-20	6-Apr-23	Australian Consolidated Gold Holdings Pty	205	61,500	$12,400
ELA5923	Warren	Application		Australian Consolidated Gold Holdings Pty	292	87,600	TBC
ELA5924	Crooked Creek	Application		Australian Consolidated Gold Holdings Pty	52	15,600	TBC
				Totals	**1,615**	**484,500**	**$76,360**

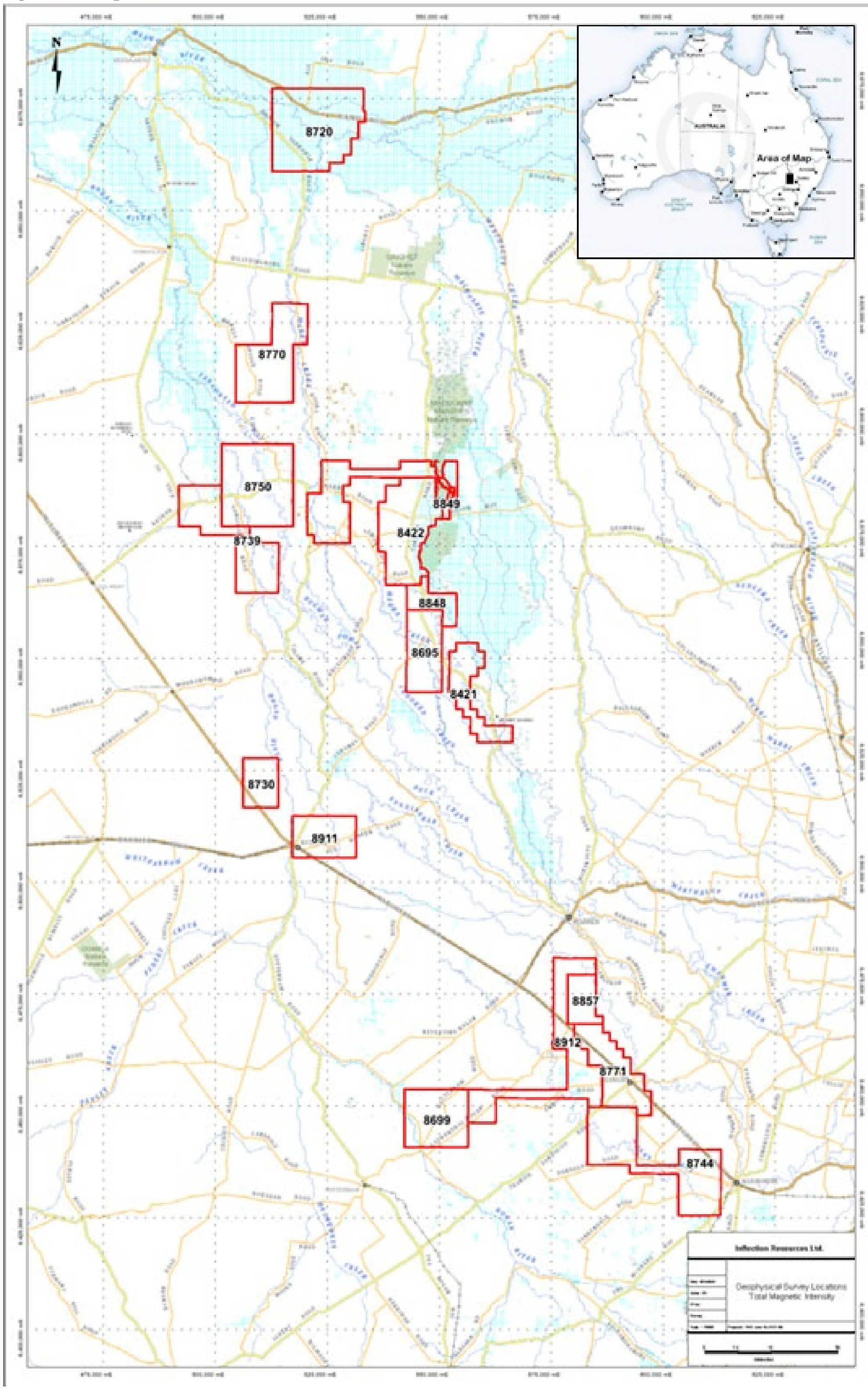
Eleven of the exploration licences held by Australian Consolidated Gold Holdings Pty Ltd were acquired pursuant to a Binding Term Sheet dated June 6, 2017 that was subsequently replaced by a Superseding Agreement dated July 1, 2018 (collectively, the “Agreements”). Pursuant to the Agreements, a 2.0% net smelter return royalty (“NSR”) is payable on these licences to the Vendors of the Agreements and the Company may purchase 1.0% of the NSR for AUD$3,000,000 at any time. The Company is further required to pay AUD$25,000 (accrued) to the Vendors and pay a success fee of AUD$5,000 per licence up to a maximum of AUD$60,000, payable half in cash and half in common shares, at the option of the Company, upon the Company listing on a public stock exchange. Four of the exploration licences and the two applications held by Australian Consolidated Gold Holdings Pty Ltd were staked directly by the Company.

The two exploration licences held by Romardo Copper (NSW) Pty Ltd (“Romardo Copper”) are subject to a 2.0% NSR payable to the Vendors, of which the Company may purchase 1.0% for AUD$2,000,000 at any time and has a right of first refusal to purchase any NSR offered for sale by consideration paid in cash. The Company is required to pay AUD$20,000 to the Vendors upon the Company listing on a public stock exchange.

The Company agreed to pay AUD$500,000 in cash or common shares of the Company upon completion, at the sole option of the Company, of a pre-feasibility study; pay AUD$2,000,000 in cash or common shares of the Company upon completion, at the sole option of the Company, of a feasibility study; and pay AUD$6,000,000 on the decision, at the sole option of the Company, to commence construction of a mine.

The locations of the exploration licences are shown in the following figure.

Figure 1: Exploration Licences



The New South Wales Mineral Titles system runs in parallel to the Land Titles system and the holder of a mineral title is required to negotiate a Land Access Agreement with the Land Title Holder. The holder of an exploration licence has the exclusive rights to explore for minerals under the surface. This right is not subject to veto by the holder of a Land Title and the legislation has provisions for arbitration when an access agreement cannot be negotiated.

All minerals in New South Wales are owned by or managed by the State, and all exploration and mining activity in New South Wales must be conducted under an exploration, assessment, or mining title. The Mining Act 1992 provides the mechanism for Government to regulate exploration and mining by granting authorities. Granting of a mineral title gives holders exclusive rights to explore or mine for the mineral group(s) for which the authority is granted during the period of the licence. Exploration Licences in NSW are recorded on a grid system with licences being restricted to whole cells (or units) on the grid. A unit is approximately 3.0 km^2. Currently work on the Property is limited to exploration. As of the date of this Prospectus, the Company has lodged security deposits on the Property's licences in the amount of AUD$160,000.

There are no known environmental liabilities attributable to the Property. The exploration licence contains specific requirements in regard to land rehabilitation and the licence holder only assumes liability for rehabilitation of old workings if they make use of workings abandoned by previous operators.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The centre of the Property is located approximately 450 km northwest of Sydney (flight distance), NSW, Australia, and the town of Nyngan is approximately the centre of the area of interest, a rural town of approximately 2,900 people. The project site is accessed from the Barrier Highway, a paved two-lane all-weather road connecting the town of Nyngan to other centres. The Property lies on a mixture of Crown (State) and Private Land in a rural area used for broad acre farming. Population density is low, and interaction with residents during the Author's site visits suggests that there are unlikely to be major social concerns. Native Title in the area has been extinguished and there are no known issues related to Aboriginal property or history in the prospective areas.

The topography is mildly undulating to flat, with elevated plateaus, and an average elevation of 173 m above sea level. The area is overlain with alluvial red clays which display 'Gilgai-type' swelling characteristics. The area is predominantly dry eucalypt and native pine woodlands. Large areas of original woodlands have been permanently altered through the removal of pine for timber, the grazing of shrubs by livestock, and the invasion of woody weeds.

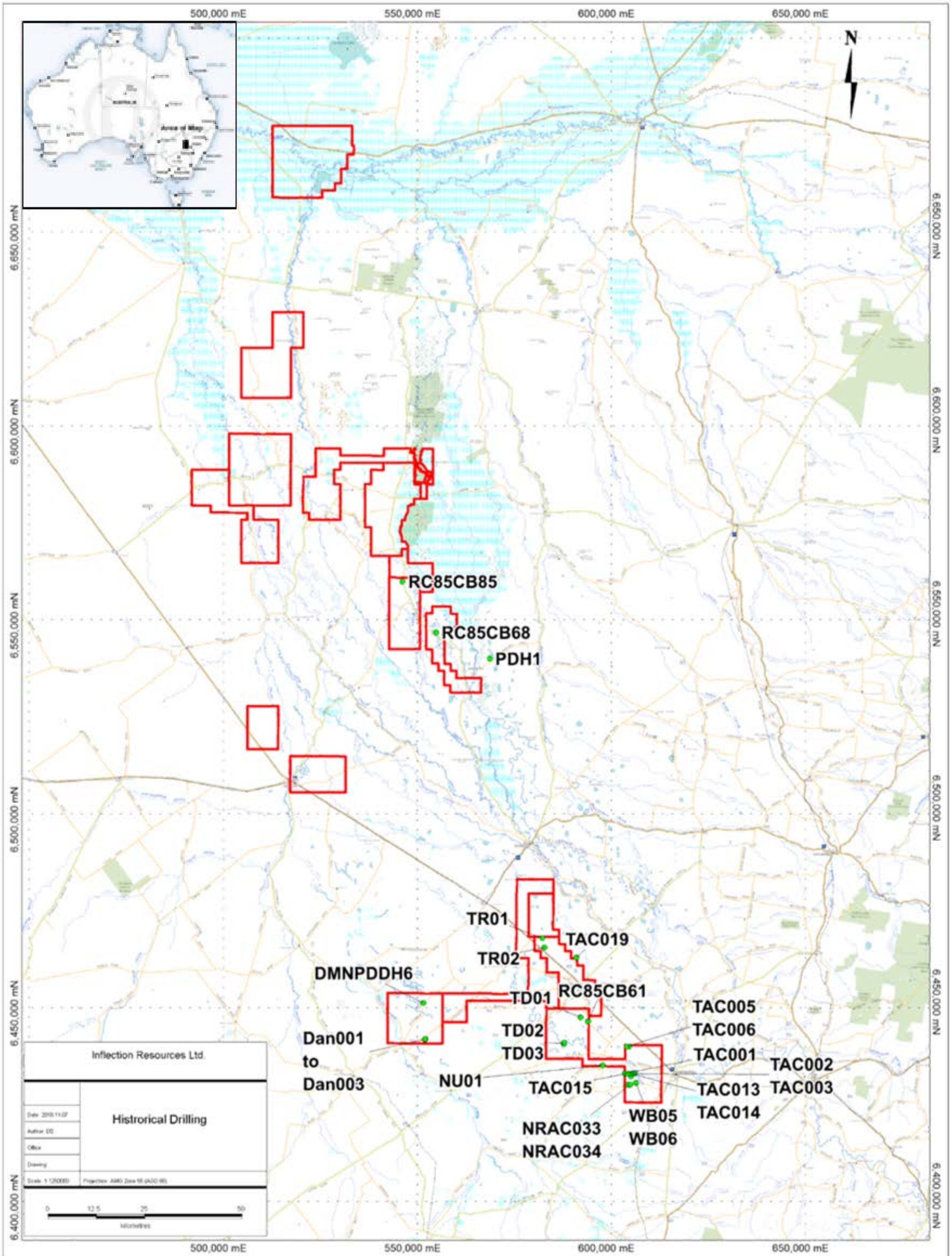
The area climate is generally described as sub-arid. The highest mean summer temperatures of 34°C usually occur in January. Winter mean minimum temperatures of 16°C typically are recorded in July. In summer, temperatures can reach 40°C, while winter low temperatures can occasionally reach 0°C during nighttime. These extremes are relatively rare and would pose no limitations for mining or processing operations. The mean maximum (summer) rainfall of 51 mm occurs in January and the mean (winter) rainfall minimum of 27 mm in September. The area is generally under a sub-tropical to tropical influence from the north of the continent. The operating season for a mining operation can be all year round, provided all-weather gravel roads with appropriate drainage are constructed for access.

Historical Exploration and Mineralization Summary

The current exploration licences are situated over concealed Early to Mid-Palaeozoic sediments, volcanics and intrusives and the likely northwestern extension of the Junee-Narromine Volcanic Belt of the Macquarie Arc. The thickness of the Early to Mid-Paleozoic sediments generally increases from south to the north. The public record indicates the southern part of the current exploration licences has undergone more exploration work than the northern part.

The following figure depicts the locations of historical drilling on the Property.

Figure 2: Historical Drilling



The following table details the prior ownership of the Property and ownership changes and the type, amount, quantity and results of the exploration work undertaken by previous owners, and any previous production on the Property, to the extent known.

Table 5: Work Summary Exploration Licences

	Year of Work	Company	Type of work
EL 8720	1997	Rio Tinto Exploration Pty Limited	Magnetic Airborne Survey on northern parts of current EL
EL 8770	2007	Mithril Resources	As part of a larger area identified Ground EM targets on the current property configuration
	1987-88	Balinagar Holdings Pty Ltd	Reinterpretation regional magnetics and bore geology for deep lead alluvial target
EL 8422	1985-86	Samedan Oil Corporation	Exploring for gold and base metals, undertook and airborne geophysical survey, covering the centre portion of the current EL
EL 8695	1986	1986 CRA Exploration Pty Ltd	Undertook drilling for minerals heavy mineral sands.
EL 8750	1987-88	Balinagar Holdings Pty Ltd	Reinterpretation regional magnetics and bore geology for deep lead alluvial target, Naudy Solutions suggest depth to basement could be 40m at shallowest. Gravity suggests shallow basement extending NE from outcrop.
EL 8739			No publicly available data
EL 8730	1996	Newcrest mining limited	Aircore hole Mac02 in 1996 to a total depth of 126 metres, intersecting basement at 100 m no assays.
EL 8699	2008-09	Claymore Resources Pty Ltd	Three stages of geochemical exploration were carried at scales 1:500,000, 1:100,000 and 1:25,000 respectively. As a result of this work two sites, with areas of 1.56 and 1.25 ha were identified for further detail exploration at 1:10,000 scale. 2014 Drilled three NQ drill holes, Dan001 to Dan003 (409 m) no Significant mineralization,
	2000	Discovery 2000	240.3 m drill hole was drilled to test stratigraphy.
EL 8771 and EL 8857	2015	Fifth Element Resources Ltd	2015. A detailed airborne magnetic, radiometric, and digital terrain survey was conducted. A total of 5,445 line kilometres of survey data was collected across the survey area, which approximates the EL extent and includes much of the current property
	1991	Newcrest Mining limited	drilling two holes TR01 and TR02 a total of 150 m to test gravity high. Both holes **failed to intersect basement**
EL 8744	1990	Newcrest Mining Limited	Airborne magnetics, Drilled two holes WB5 and WB6
	2000	Goldfields Exploration Pty Ltd	Drilling Au, Cu, Air core, Diamond Drilling no significant mineralization.
	1987	Aoasam Pty Ltd	Drilling area mag no significant mineralization
	2003	Golden Dragon Resources	Drilled NRAC033 (71m), NRAC034 (77m) Drilling no significant mineralization
	1996	Resolute Ltd	Drilled three holes TD-01 (287m), TD-02 (427 m) TD-03 (750m) No significant assays.
EL 8422	1986	Samedan Oil Corp	Samedan targeted base metal and gold mineralization associated with magnetic features but considered the depth to **basement too deep**
	1985-86	CRA Exploration Ltd.	A single drill hole occurs SW of EL8422, RC85CB84, and was drilled to 30m as part of a 91-hole regional program**. No basement was intersected.**
	2007-10	St Barbara Ltd	Targeting porphyry-related mineralization in Ordovician volcanic and intrusive. Several magnetic anomalies were identified as being possible granite-related hydrothermal polymetallic (skarn) mineralization and not attractive to St Barbara
EL 8421	1982	North Broken Hill Ltd	Drilled a single percussion hole (PDH1) after ground magnetic traversing of anomalies. A quartz-rich quartz-feldspar porphyry was intersected from 112m to 150m, overlain by Cainozoic sediments. Assay results were not anomalous.
	1985-86	CRA Exploration Ltd.	A single drill hole occurs within EL8421, RC85CB68, and was drilled to 30m as part of a 91-hole regional program. Holes CB65-67 occur just outside the EL boundary. No basement was intersected. The focus was on the northerly trending basement ridge which crops out at Mt Harris and Mt Foster.3.
EL 8857 and EL 8912	1991	Newcrest Mining Limited	Undertook a 201 line kilometres gravity geophysical survey covering part of the EL and ELA.
EL 8912	1997	Newcrest Mining Limited	Undertook a 184 line kilometres gravity geophysical survey covering part of ELA.

EL 8912	2011	St Barbara Ltd	Covered by part of a Larger gravity survey.
	2008	St Barbara Ltd	Covered by part of a Larger 10,144-line kilometre airborne magnetic/ radiometric survey
	1987	Lachlan Resources NL	Covered by part of a Larger airborne magnetic
EL 8849	1985	Samedan Oil Corporation	Covered by part of a Large 3,900 line kilometre airborne magnetic survey
	2009	St Barbara Ltd	Covered by part of a Larger 10,144-line kilometre airborne magnetic/ radiometric survey
EL 8848	1986	1986 CRA Exploration Pty Ltd	Undertook surface drilling for minerals heavy mineral sands.

Romardo Copper (NSW) Pty Ltd 2017 Work Program

In 2017, Romardo Copper (NSW) Pty Ltd ("Romardo Copper") undertook inversions of the magnetic data collected on EL 8422 and EL 8421, along with 3D modelling that showed three discrete and depth-extensive magnetic complexes which are potentially analogous to the regional Northparkes and Cadia-Ridgeway systems which continue to be the focus of detailed exploration.

(i) EL 8422

Romardo Copper undertook a geological interpretation to identify geological features relevant to the localisation of the intrusion-centred or intrusion-associated Cu-Au systems rather than a complete geological picture of the bedrock. Complex alteration haloes have been identified and these are superimposed on several inferred intrusive complexes centred on dioritic stocks embedded within regional granitic-plutonic complex displaying inferred propylitic alteration. There is some indication of a partly intact extrusive volcanic 'cap', coupled with signatures indicative of propylitic alteration, including magnetite-destructive and magnetite-additive alteration, with this zoned about local intrusive centres. There are well defined Bouguer Gravity highs coincident with the inferred diorite stocks and associated alteration haloes which occasionally display a pronounced annular pattern, analogous to that in the Northparkes mineralized systems.

Romardo Copper drilled a single combined mud rotary-diamond drill hole to a depth of 143.5 m and targeting a near-vertical magnetic feature. A mineralized biotite-magnetite hornfels with significant veining containing quartz, magnetite, amphibole, garnet, epidote, chlorite was intersected from 136 m. Bornite and chalcopyrite occur within the veins and hornfels as blebs and disseminations. The hornfels within hole EM17-01 has clear distal skarnoid 'flavour' and it is postulated that a potentially mineralized porphyry is within 500 m of the drill hole. Anomalous copper and gold values were received; the assay results have copper values including 6.5 m averaging 120 ppm from 137 m to the end of the hole ("EOH"). The best individual 1 m gold value is 49 ppb.

(ii) EL 8421

On EL 8421, Romardo Copper's geological interpretation of features is relevant to locating an intrusion-centred or intrusion-associated Cu-Au system. A very large and complex alteration halo was identified and appears superimposed on a polygenic intrusive complex. The inferred intrusive complex appears centred on a buried large dioritic stock (located just south of Mt Foster) embedded within a regional granitic-plutonic complex. This interpretation indicates a partly intact extrusive volcanic 'cap', coupled with signatures indicative of propylitic alteration, including magnetite-destructive and magnetite-additive alteration, with this zoned about local intrusive centres. Apparent skarns are interpreted around the north western edge of the complex and may be associated with a potential depth-extensive porphyry.

On this exploration licence, Romardo Copper undertook drilling of a single combined mud rotary diamond drill hole (MH17-01) to a depth of 393.9 m targeting a near-vertical magnetic feature interpreted to be a porphyry. A quartz +sodic plagioclase-phyric rhyolite ignimbrite (or lava or a shallow emplaced narrow dyke) with irregular vugs filled by chlorite, epidote and lined by quartz was intersected at 380.4 m. Early, pervasive hematite alteration is post-dated by silica-sericite alteration accompanied by open space quartz veining and brecciation. Geochronology results indicate an early Devonian age for the felsic rock.

Geological Setting

Regional Geology

The Property lies within the Lachlan Fold Belt, and specifically the Macquarie Arc, both described in the following sections.

(i) Lachlan Fold Belt (After Barnes and Vassallo (2011))

The Paleozoic-aged Lachlan Fold Belt (490-340 Ma) is a turbidite-dominated province that forms part of the composite Paleozoic Tasman Orogen along the eastern margin of Australia. Most of the exposed portions of the Lachlan Fold Belt are in NSW and central and western Victoria, but it can also be traced on regional geophysical imagery under younger sedimentary basins north into Queensland and as far south as Tasmania. The Lachlan Fold Belt consists of three structural domains referred to as the West Lachlan (western Victoria), Central Lachlan (central Victoria and NSW) and East Lachlan (central NSW). Each structural domain has a distinct metallogenic association, the most significant being the Ordovician to Devonian turbidite-hosted orogenic lode Au deposits in Victoria in the West Lachlan and the Ordovician porphyry copper-gold mineralization in the East Lachlan. The East Lachlan is a composite terrane with fold, thrust and strike-slip geometries. The rocks span the Cambrian to Tertiary. The oldest are Cambrian mid ocean ridge basalt (MORB) volcanic and ultramafic units exposed along suture zones in the south and north. Ordovician turbidites and arc volcanics are tectonically interleaved in broad north-south belts separated by Silurian and Devonian rift basins. The entire sequence is intruded by Silurian, Devonian, and Carboniferous granite.

The fold belt is obscured by deep Mesozoic sedimentary basins in the north.

(ii) Macquarie Arc (After Barnes and Vassallo (2011))

Porphyry copper-gold mineralization in the East Lachlan is associated with the Macquarie Arc which formed during west-directed subduction along the east margin of Australia during the Ordovician. Extensive Ordovician quartz-rich turbidites are present south and west of the Macquarie Arc (Girilambone, Wagga and Adaminaby Groups). The Macquarie Arc and the quartz-rich turbidites are coeval; however, the latter are exotic to the arc and have a continental provenance. The quartz-rich turbidites occupied a back-arc position west and south of the Macquarie Arc in the Late Ordovician. An Arc/Back-Arc collision in the Early Silurian resulted in the southern turbidites being transposed northwards, imbricated and under-thrust along the outboard margin of the arc. Subsequent slab rollback initiated extension and rifting of the arc and exhumation of the imbricated turbidites. Dismemberment of the arc during this period resulted in four separate Ordovician volcanic belts, which from west to east, are the Junee-Narromine (JNVB), Kiandra (KVB), Molong (MVB) and Rockley-Gulgong Volcanic Belts (RGVB).

Although the four Ordovician volcanic belts that constitute the Macquarie Arc are separated by up to 100 km-wide belts of younger rocks, they share a similar stratigraphic and temporal evolution. Each volcanic belt displays a general progression from high-K calc-alkaline to shoshonitic magmatism, a gradual evolution from mafic to felsic shoshonitic magmatism with time and development of Eastonian age (450 Ma) limestone.

The Junee-Narromine Volcanic Belt (JNVB) extends from 100 km south of Gundagai to Narromine in the north, a distance of some 420 km. It extends north of Narromine, where it is concealed beneath Mesozoic basin sediments for another 250 km, giving the belt a strike length of at least 670 km. The most significant porphyry copper-gold system in the JNVB is Northparkes, where a number of satellite deposits are currently in production. Other significant deposits in the belt include the low-sulphidation carbonate-base metal gold system at Cowal, the orogenic gold system at Wyoming, and high-sulphidation epithermal gold systems at Gidginbung and Peak Hill. In contrast to the MVB, the JNVB is deeply weathered and very poorly exposed. Outcrop is generally confined to isolated weathered exposures on topographic highs surrounded by scattered float. South of the Mesozoic basin margin, substantial sections of the JNVB are concealed by 0 to >100 m of Quaternary cover. North of the basin margin, Mesozoic sandstone and siltstone up to several hundred metres thick lie beneath the Quaternary cover. These areas are typically flat with little or no relief.

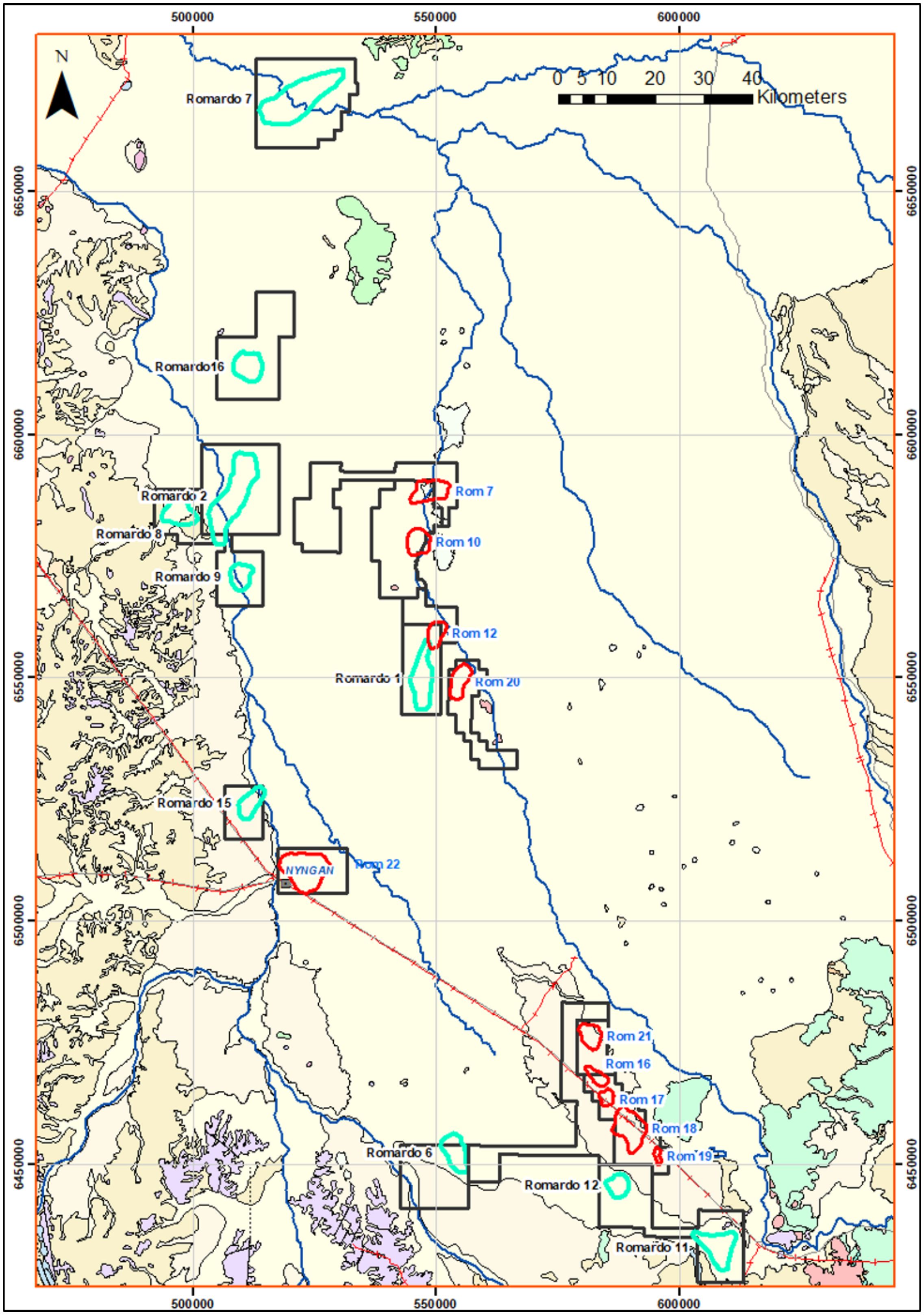
(iii) Porphyry copper-gold mineralization in the Macquarie Arc (After Barnes and Vassallo (2011))

The Macquarie Arc is the dominant porphyry copper-gold terrane in Australia. It has two major mines currently in production – (1) Cadia in the MVB and (2) Northparkes in the JNVB. There are also a number of pre-resource projects that are currently subject to active exploration in the JNVB and MVB including Copper Hill (Golden Cross); Silverstone, Imola, Monza, The Dam, Mandamah and Estoril (Sandfire); Marsden (Evolution); Kingswood and Rose Hill (Magmatic Resources); and Boda (Alkane). There are no known active porphyry prospects in the RGVB or KVB. A number of satellite deposits are mined at Northparkes and Cadia. The porphyry deposits at Cadia, which includes the high-grade gold-rich Ridgeway deposit, are world class, and one of Australia's most profitable gold mines. Cooke et. al. (2004) described the characteristics of Cadia and Northparkes systems. The copper and gold mineralization is associated with quartz monzonite porphyry complexes that intruded the volcanic centres. The intrusive complexes consist of pipes, dykes, and stocks. Hydrothermal alteration within and around the intrusions resulted in a complex sequence of potassic, calc-potassic, sodic, propylitic and late-stage, typically fault- and fracture-controlled phyllic assemblages. Hematite dusting is a common alteration product, giving the intrusions and the altered host successions a distinctive pink to brown colour. Several deposits have bornite-rich cores, chalcopyrite-dominant annuli and pyritic haloes. Gold is well correlated with bornite in most of the deposits, and with chalcopyrite at Cadia Hill.

Property Geology

The Exploration Licences are situated over concealed Early to Mid-Palaeozoic sediments, volcanics and intrusives and the likely northwestern extension of the Junee-Narromine Volcanic Belt of the Macquarie Arc. The nature of the Palaeozoic sequence is poorly understood, as there has been no exploration or little stratigraphic drilling through the Mesozoic and Cainozoic cover sequence that overlies it. The sedimentary cover contains poorly lithified lacustrine, fluvial, and shallow marine sediments of thickness ranging from 70 m near Nyngan to over 500 m. The surface of the licence areas are mostly flat with the Macquarie River passing through the east. Underlying the Cainozoic fluvial sediments of the riverine plain are sedimentary rocks of the Mesozoic Surat Basin, which are underlain by the metamorphic and igneous rocks of the Palaeozoic Lachlan Fold Belt. Outcrop within much of the exploration licences is restricted to three low hills in the south (Figure 3).

Figure 3: Property Geology



Exploration

Property Selection

A regional desktop study was undertaken of publicly-available geophysical, geological, mineral occurrence, and geochemical data from the NSW Geological Survey and resulted in the definition of 20 targets of interest for intrusion-associated gold, or of interest for mesothermal vein-array gold, all marginal to the volcanic-rock-predominant part of the Macquarie Arc. The intrusive associated copper targets are located central to the volcanics of the Arc with the pure vein array targets structurally associate with the turbidites on the western margins of the Arc. However as previously explained, there is a continuum of "intrusion-associated" targets (such as sheeted veins above cupolas) between the back-Arc turbidites and the true porphyry systems of the Central Arc volcanics. All targets are within regions of concealed prospective bedrock.

The regional study consisted of extensive literature survey of mesothermal vein-array gold deposits and intrusion-centered or intrusion-associated gold deposits, using current data sets from the Geological Survey of New South Wales data portal and incorporating them into a GIS. The data sets comprised geological, geochemical, open-file exploration drill hole, mineral occurrence, geological descriptions, detailed, state-wide potential field data sets, and radiometric images. The geochemical data, which included stream-sediment samples, and rock geochemistry, were classified to highlight rocks and anomalies of interest, and the results set up as shape files.

Potential field data sets deployed in the gold-focused part of this study were processed to better refine images to facilitate definition of geological factors relevant to the study, and to better define likely depths to prospective bedrock. This data mostly comprised 400 m spaced airborne magnetic data and regional gravity data of variable quality but mostly widely spaced. A variably detailed "working geological interpretation" followed, aimed at definition of felsic or intermediate intrusive complexes, mafic and ultramafic intrusive complexes, limits of mafic and felsic volcanic units, alteration, minor faults, and major faults, particularly microcraton-bounding faults, and at definition of regional-scale redox domains.

The interpretation assisted definition of the targets, and eventually the acquisition of the properties that are the subject of this report. These resulting targets are described in Table 5 and Table 6 and illustrated in Figure 4.

Mesothermal Vein Arrays ("MVA") gold targets are associated with sediments dominated by turbidites along the western margins of the Macquarie Arc. Northeast structures are a major controlling feature for the emplacement of this type of mineralization. Subsequent interpretation of detailed aerial magnetics flown by Inflection in late 2018, followed by the 3D modelling of this data indicated a common spatial association of the initial MVA targets with discrete high-level intrusive bodies, hence significant overlap between pure dilatational MVA targets and intrusive associated MVA targets (e.g. stockworks and sheeted vein deposits above intrusions).

Intrusive Associated ("IA") gold and copper-gold targets are those connected with the volcanics of the central Macquarie Arc. Relationships are clearly demonstrated in the distribution of known mineralization in the exposed parts of the Macquarie Arc to the south.

Table 5: 'Romardo' Mesothermal Vein Array Targets Summary

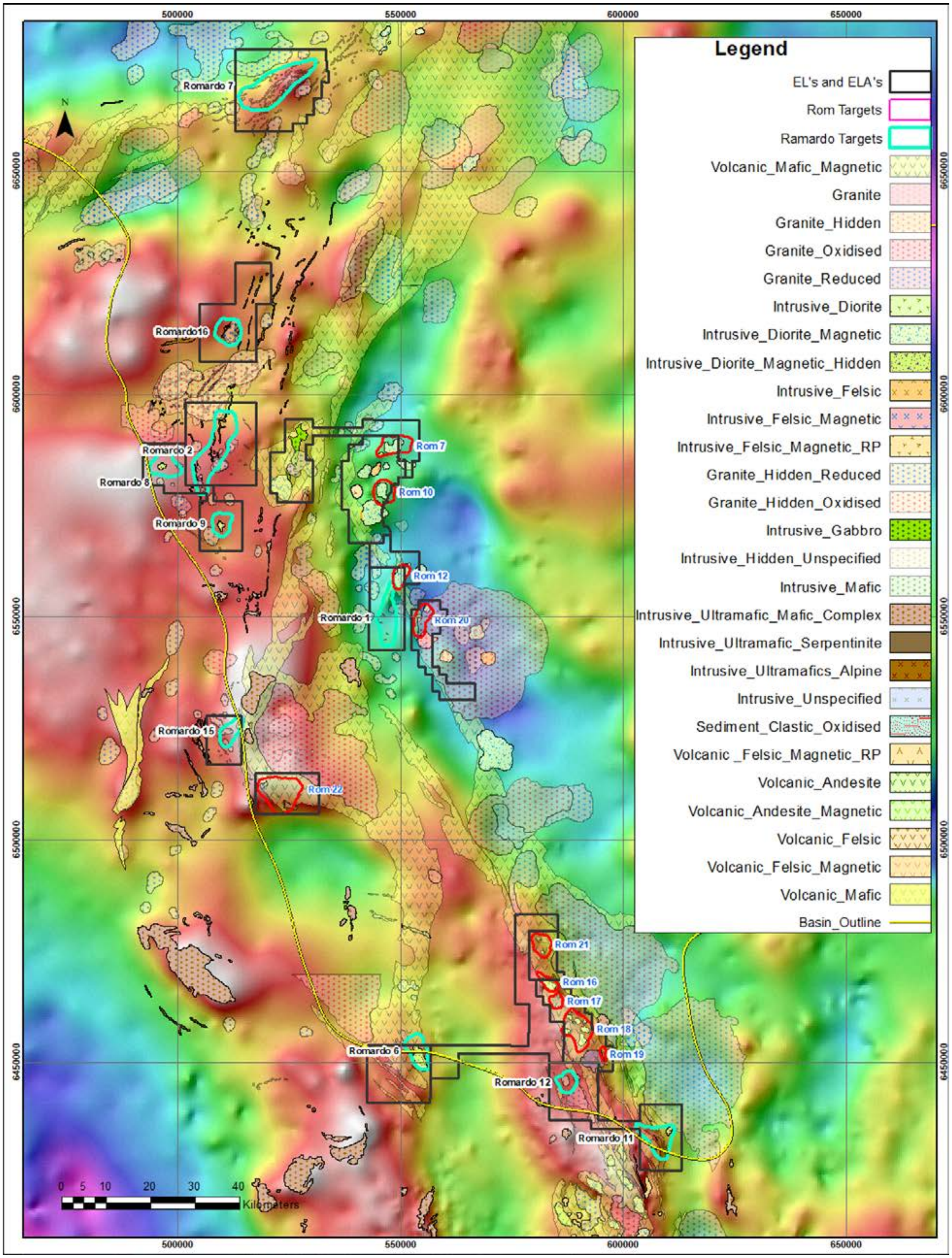
Name	Summary
Romardo 1:	Best for MVA, but some potential for IA Au in its central parts. Hosted by Silurian turbidite unit with likely altered mafic volcanics of Ordovician age in axial parts of anticline here. Small reduced intrusive bodies in and near axial plane of anticline. Strong structural setting with evidence for mt-destructive/additive alteration in anticline limbs. Possible negative with regional redox state variation. Depths from Naudy solutions are 200 to 250 m.

Romardo 2:	MVA Au. Hosted by Cambro-Ordovician turbidite and mafic volcanic rocks in a likely high-strain zone setting in a regional-scale transpressive or strike-slip fault setting. Excellent regional redox setting, with strong indication of reduced granites to the W of the structurally favorable part. Very encouraging structural and alteration setting, but is a "diffuse" target, noting that vein arrays could be extensive. Naudy solutions depth are 150 to 200 m.
Romardo 6:	IA and MVA Au. Hosted by Cambro- Ordovician turbidite and altered mafic volcanic rocks in vicinity of small intrusive complexes. Complex fault setting in a regional scale transpressive or strike-slip fault bend, with arrays of short faults. Small intrusive plugs here and large buried denser intrusive. Encouraging alteration and alteration halo size, above hidden intrusive, noting that alteration zone may contain vein arrays. Naudy solution depths are 50-100 m.
Romardo 7:	MVA Au. Hosted by complex array of Cambo-Ordovician turbidite and altered mafic volcanic rocks. Outstanding redox setting. On or near microcraton boundary, within an inferred large anticline containing small fault bound blocks of mafic volcanic displaying encouraging alteration, including mt-destructive alteration. Extend coverage of analogous targets to W if encouraging, and also cover W sector (deeper) part. Naudy solutions indicate variable depths, some less than 100 m.
Romardo 8:	IA Au. Hosted by Cambro-Ordovician turbidite, in an excellent redox setting. Appears to be within the cupola of a small intermediate stock, within an anticline displaying encouraging alteration, including mt-destructive and mt-additive alteration. Encouraging alteration and alteration halo size, above hidden intrusive. Alteration zone may contain vein arrays. Altered, Cu-Mo mineralized stock -20km W. Depth of the order of 100 m or less.
Romardo 9:	IA gold. Strong indication of small, "subjacent" altered stock. Hosted by Cambro-Ordovician turbidite, in an excellent redox setting. Appears to be within the cupola of a small intermediate stock, on an extensive contractional fault, displaying encouraging alteration, including mt-destructive and mt-additive alteration. Alteration zone may contain vein arrays. Depth of the order of 100 m.
Romardo 11:	MVA Au. Hosted by Ordovician turbidite with complex short-fault-offset contacts with altered mafic volcanic rocks. Encouraging regional redox setting. In a classic high strain zone setting in a regional-scale transpressive or strike-slip fault zone. Strong indication of reduced granites to the N of the structurally favorable part. Naudy solution depths are uncertain, of the order of 100 - 200 m?
Romardo 12:	IA Au. Hosted by Ordovician mafic volcanic rocks. Redox setting, though, is moderate only. Encouraging association with a swarm of short, low- displacement faults and a suite of intrusive bodies displaying apparent alteration. Unusual oxidized "plugs" within area of granite. Naudy solutions depths 150-200 m.
Romardo 15:	IA Au. Outstanding structural, magmatic, and redox setting, comprising a small- altered stock within Cambro-Ordovician turbidite on or near a major bend in a regional scale contractional fault. The area of the target displays apparently encouraging alteration, including mt-destructive and mt-additive alteration. Of possible interest for other ore styles. Depth <100 m.
Romardo 16:	IA Au; MVA Au. Hosted by Cambro- Ordovician turbidite in an excellent redox setting. Appears centred on a small, highly altered felsic or intermediate stock, within an area displaying very encouraging alteration, including mt- destructive and mt-additive alteration. Very encouraging alteration and structural setting, within an oxidized stock, possibly diorite, noting that alteration zone will contain vein arrays. Depths are not well constrained, possibly 100 to 200 m.

Table 6: 'ROM' Copper-Gold Porphyry and Skarn Targets Summary

Name	Summary
Rom 11	Cu-Au Porphyry, high level, underneath thicker Devonian. Likely large alteration halo, centred on a Bouguer Gravity high. BG signature is encouraging, indicating dioritic or more mafic intrusive complex at depth.
Rom 10	Cu-Au Porphyry, high level. Distinct, complex 3D object with indications that a complex zoned system exists here. Mineralization could be deeper within complex, with possibility of phyllic alteration cap on the system.
Rom 7	Cu-Au skarn, and IC system Complex feature within distinctive alteration haloes, cp-bn mineralization in DH EM 17-01, system centred on the NE flank of a complex large intrusive system, Ordovician. Strong indication of multi-centred system.
Rom 18	Cu-Au Skarn. Strong with outstanding indication of alteration zoning about a complex array of small intrusive. Good indications of regional sodic-calcic alteration (not shown) and local mag-added and mag-depleted alteration. Fav volcanic setting.
Rom 19	Cu-Au Skarn. Well defined mag signature, with some indication of alteration zoning peripheral to intrusive. Good indications of regional sodic-calcic alteration (not shown) and local mag-added and mag- depleted alteration. Fav structural setting.
Rom 17	Cu-Au Porphyry, high level. Zoned alteration halo, centred on Bouguer Gravity low. Strong indication of regional alteration system, with central zone of magnetite depletion (phyllic and possibly propylitic) alteration. Regional redox body and major SS faults
Rom 16	Cu-Au Porphyry, high level. Zoned alteration halo, centred on Bouguer Gravity low. Strong indication of regional alteration system, with central zone of magnetite depletion (phyllic and possibly propylitic) alteration. Regional redox body and major SS faults
Rom 12	Cu-Au Porphyry. Complex large feature, with evidence that system here within complex alteration halo within highly altered mafic or intermediate volcanic succession. Likely near an intermediate stock embedded within volcanic succession.
Rom 20	For major intrusive centred system, either a porphyry style or (younger) skarn. Depths based on source depth contours. Evaluate for phyllic or potassic alteration and vein arrays within or next to porphyry.
Rom 21	For major intrusive centred system, likely of the porphyry style, of interest for Cu-Au. Depths are very uncertain. Evaluate for phyllic or potassic alteration and vein arrays within or next to porphyry and proximal indicator geochemistry. A strong target.
Rom 22	For major intrusive complex associated Au-Cu, very high level, so could be Au predominately. Depths reasonably contrained. Evaluate for phyllic and other high level PC Au style alteration. but could be dyke-sill complex.

Figure 4: Interpreted Romardo and ROM Targets Locations



Airborne Survey

In order to refine target selection, the Company, through Australian Consolidated Gold Holdings Pty Ltd ("ACGH I"), undertook a total of 15,014 line-kilometres airborne geophysical surveys in two separate campaigns. The surveys were flown at 100m flight line spacing. See Figure 6 for airborne geophysical survey locations.

Data from Inflection's airborne magnetic and radiometric data was processed by Core Geophysics to highlight and define controlling structures, lithological variations and magnetic responses. Data processing of the magnetic data included calculation of the first and second order vertical derivatives, tilt derivatives, automatic gain control and analytic signal filtering. The estimates of depth to magnetic source/basement, magnetic susceptibility and magnetic vector inversions. Depth estimates to magnetic basement are in the order of less than 100 m.

Northparkes

The targets are close to the interpreted western margin of the Macquarie Arc. The structural architecture in the area of the targets is tentatively interpreted to be predominantly dextral transpression along a set of major generally N-striking contractional faults, which indicates that NE-oriented short fault sets in the area of the targets have the potential to host major vein arrays, particularly within the cupola positions above and next to the interpreted stocks within the targets. Targets are characterised by an abundance of NW and NNW striking dykes, which appear to be younger than the main transpressive events of interest in this region. The NE-striking sets of short faults or altered joint sets are clearly visible in the detailed aeromagnetic data treatments.

Figure 5: Select Example of Interpreted Intrusive Body – Magnetic Inversion model.

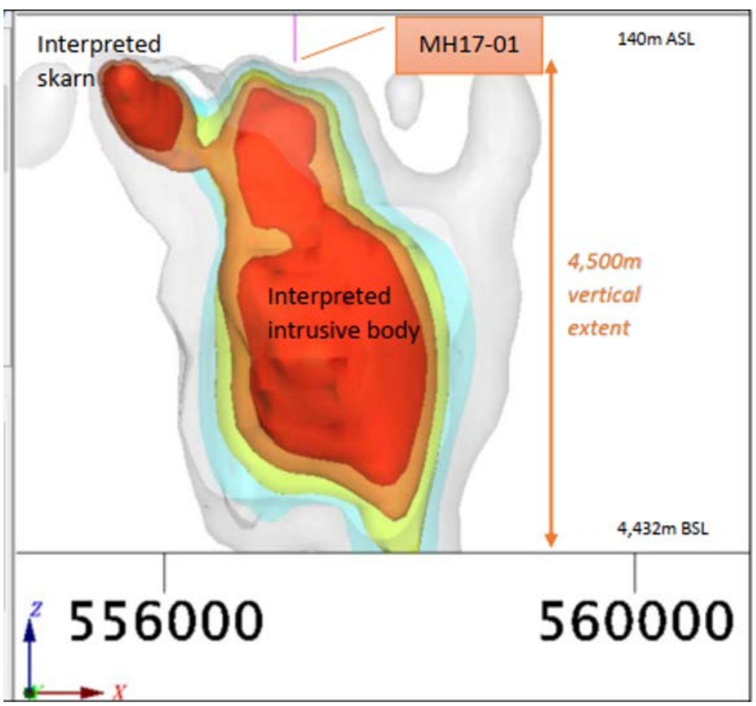
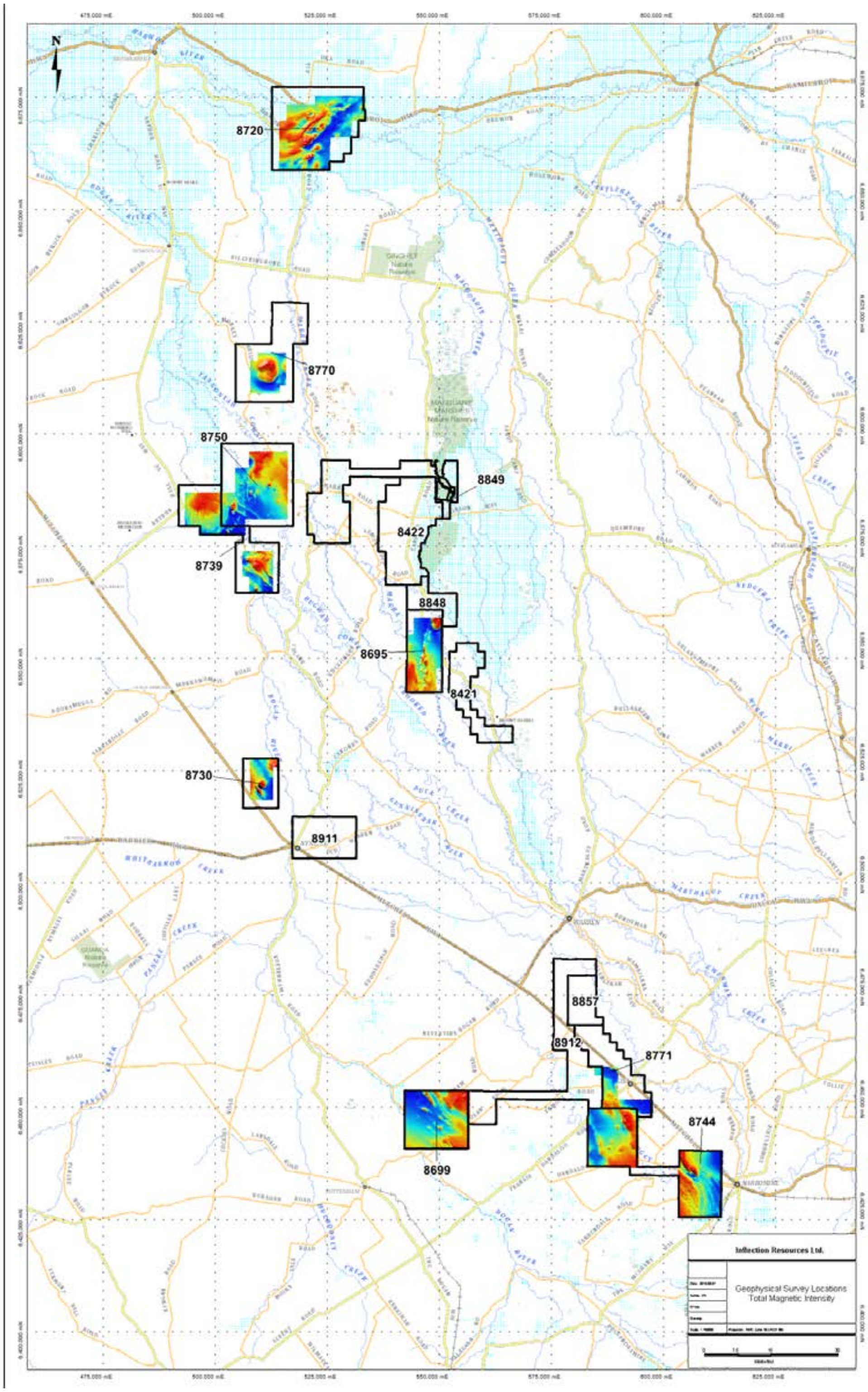


Figure 6: Airborne Geophysical Survey Locations



Mineralization

The Company is principally targeting copper-gold porphyry mineralization associated with igneous intrusions, using analogues of other similar mineralization in the Macquarie Arc, including that at the Cadia, Northparkes and Cowal mines.

Copper ±gold ±molybdenum porphyry deposits are generally large tonnage, low-grade hypogene resources. The deposit class is unified by close spatial, temporal, and genetic associations between sub-volcanic porphyritic intrusive complexes (the 'porphyry') and hypogene mineralization along with hydrothermal alteration mineral assemblages that occur in and around them.

Mineralization can occur in both the intrusive complex and the surrounding wall rock. The amount of mineralization that occurs in the intrusions compared to the adjacent wall rocks varies between deposits. Sulphide mineralization is typically zoned, with high-grade bornite-rich cores, surrounded by chalcopyrite-rich and outer pyrite-rich halos typifying some deposits.

Drilling

The Company has not undertaken any drilling on the Property.

Sampling Preparation, Analysis and Security

The Company has not undertaken any ground exploration programs resulting in the collection of samples on the Property. Therefore, the Author is unable to discuss adequacy of sample preparation, security, and the analytical procedures used by the Company on the Property.

The Author also cannot comment on the sampling procedures, analysis or quality control measures that may or may not have been taken by other companies during previous sampling programs that are discussed in the history section of this report. However, even with the absence of procedures and details of any QA/QC programs, the Author does not see any reason to question the quality, accuracy, and security of the historical data as it was documented in a reasonable fashion in filed reporting.

At the current stage of exploration, the geological controls and true widths of mineralized zones are not known and the occurrence of any significantly higher-grade intervals within lower grade intersections has not been determined.

Interpretation and Conclusions

The Company is targeting copper-gold mineralization associated with igneous intrusions, using as analogues other mineralization in the Macquarie Arc, including mineralization at Cadia, Northparkes and Cowal mines. In effort to identify the targeted mineralization, the Company undertook a regional desktop study which was later followed by a 15,014 line-kilometre airborne geophysical survey.

The regional desktop study along with the insights generated by the Naudy Solutions calculated from the airborne geophysical surveys developed the Romardo and ROM targets which include specific MVA and IA targets along with the more general Cu-Au porphyry and skarn targets. Targeting focused on the concealed, interpreted extensions of the prospective geology under the younger, post-mineral cover. As a result of the study, 20 target areas of interest for intrusion-associated gold, or of interest for mesothermal vein-array gold, were identified.

The 20 undercover target areas are located in the prospective Macquarie Arc along the margins of mafic and felsic volcanics. Porphyry gold-copper mineralization in the East Lachlan is associated with the Macquarie Arc which formed during west-directed subduction along the east margin of Australia during the Ordovician. Extensive Ordovician quartz-rich turbidites are present south and west of the Macquarie Arc (Girilambone, Wagga and Adaminaby Groups). The Macquarie Arc and the quartz-rich turbidites are coeval; however, the latter are exotic to the arc and have a continental provenance. Arc/Back-Arc collision in the Early Silurian resulted in the southern turbidites being transposed northwards, imbricated and under-thrust along the outboard margin of the arc. Subsequent slab rollback-initiated extension and rifting of the arc and exhumation of the imbricated turbidites. Dismemberment of the arc during this period resulted in four separate Ordovician volcanic belts, which from west to east, are the Junee-Narromine, Kiandra, Molong and Rockley-Gulgong Volcanic Belts.

The mesothermal vein targets are close to the interpreted western margin of the Macquarie Arc, but are outside and west of it. (The structural architecture in the area of the targets is tentatively interpreted to be predominantly dextral transpression along a set of major generally N-striking contractional faults, which indicates that NE-oriented short fault sets in the area of the targets have the potential to host major vein arrays, particularly within the cupola positions above and next to the interpreted stocks within the targets. Targets are characterised by an abundance of NW and NNW striking dykes, which appear to be younger than the main transpressive events of interest in this region. The NE-striking sets of short faults or altered joint sets are clearly visible in the detailed aeromagnetic data treatments.

The intrusive associated copper targets are located central to the volcanics of the Arc with the pure vein array targets structurally associate with the turbidites on the western margins of the Arc. However as previously explained, there is a continuum of "intrusion-associated" targets (such as sheeted veins above cupolas) between the back-Arc turbidites and the true porphyry systems of the Central Arc volcanics.

Recommendations

In the qualified person's opinion, the Property's targets are of sufficient quality to merit a drill program to test for mineralization at depth. A two phase program is recommended. Phase I is to drill test the 20 undercover targets in Tables 5 and 6 using mud rotary drilling until the hole reaches unconformity and then use of a diamond core to test the for the presence of potentially economic mineralization in the basement rock. Table 7 details a program to test these targets. Phase II of the program is to further test positive results derived from Phase I. The expected cost of Phase II is $552,200 CDN (Table 8). The total cost for both phases is expected to be $3,082,200 CDN.

Table 7: Phase I Proposed Budget

Mud Rotary - Drilling	$	500,000
Geological Supervision and Crews		324,000
Mud Rotary - Accommodation, Mob-Demob, Drill Pads, Permitting		700,000
Core Drilling – Drilling, Camp, Mob-Demob, Assays		310,000
Core Drilling – Accommodation, Mob-Demob, Assays		341,000
Reporting of Drill Results		25,000
Property Holding Costs		100,000
Subtotal	$	2,300,000
Contingency @ 10%		230,000
Total Estimated Cost	**$**	**2,530,000**

Table 8: Phase II Proposed Budget

Mud Rotary - Drilling	$	140,000
Geological Supervision and Crews		54,000
Core Drilling – Accommodation, Mob-Demob, Assays		308,000
Subtotal	$	502,000
Contingency @ 10%		50,200
Total Estimated Cost	**$**	**552,200**

USE OF PROCEEDS

Proceeds and Funds Available

The Company estimates it will have the following funds available following closing of the Offering, assuming a minimum and maximum Offering subscription:

Source of Funds	Funds (Minimum Raise)	Funds (Maximum Raise)
Gross Proceeds of the Offering	$2,000,000	$3,500,000
Less: Agent's Commission	($160,000)	($280,000)
Agent's Corporate Finance Fee (plus GST)	($26,250)	($26,250)
Remaining Offering Costs[1]	($147,750)	($147,750)
Net Proceeds of the Offering	$1,666,000	$3,046,000
Working Capital as of March 31, 2020	$1,880,000	$1,880,000
Net Funds Available	**$3,546,000**	**$4,926,000**

1. Total remaining cash expenses of the Offering are estimated as audit - $43,000; legal - $40,000; CSE filing fees - $17,210; Agent's expenses - $25,000; Securities Commission filing fees - $12,540; and miscellaneous costs - $10,000. To date, $20,500 has been paid.

Principal Purposes

The Company intends to use its available funds as follows:

Principal Purpose	Funds (Minimum Raise)	Funds (Maximum Raise)
Recommended Phase I work program on the Property per the Report	$2,530,000	$2,530,000
Recommended Phase II work program (follow-up drilling) on the Property per the Report	$Nil	$552,200
Annual permit fees	$90,000	$90,000
Reserve for asset acquisition investigations	$Nil	$100,000
General and Administrative Expenses[1] (12 months)	$787,500	$787,500
Unallocated Working Capital	$138,500	$866,300
Total:	**$3,546,000**	**$4,926,000**

1. The Company's projected General and Administrative expenses for the 12 months after the Closing Date are:

• Office & Administration	$50,000 per year
• Professional Fees (legal & audit)	$80,000 per year
• Management Fees	$430,000 per year
• Regulatory Fees	$15,000 per year
• Investor Relations Consultant	$78,000 per year
• Conferences and Trade Shows	$40,500 per year
• Advertising and News Releases	$30,000 per year
• Transfer Agent	$9,000 per year
• Travel and Business Development	$30,000 per year
• Miscellaneous	$25,000 per year
Total:	$787,500 per year

The Company may use some of its unallocated working capital for additional work on the Property, subject to the results of the recommended exploration program in the Report.

The Company intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. If such event occurs during distribution of the securities offered under this Prospectus, the Company may have broad discretion in the application of such net proceeds and, if required, an amendment to this Prospectus will be filed. Pending utilization of the net proceeds derived from the Offering, the Company intends to invest the funds in short-term, interest-bearing obligations with a major Canadian financial institution.

The Company has a history of negative cash flow and losses, and it does not expect that to change in the short term. All of the Company's operations will be funded by the proceeds from this Offering. The net available funds will be sufficient to fund operations for a minimum of 12 months.

Business Objectives

The Company's immediate business objective is to complete the Offering and obtain a listing on the Exchange. The aggregate remaining costs of completing these objectives are estimated at $147,750 (including legal costs, auditor fees, filing fees for the Exchange and the Securities Commissions, and expenses of the Agent, but excluding Agent's Commissions and the Agent's Corporate Finance Fee).

The Company intends to carry out the recommended Phase I exploration program described in the Report which is estimated to cost $2,530,000. If the results of this initial exploration program warrant continued exploration, it is intended that additional exploration under the recommended Phase II exploration program will be carried out at an additional cost of $552,200, which the Company expects to fund from the Offering proceeds or through further capital raising. If the results of both phases of the exploration program warrant continued exploration, it is intended that additional exploration will be carried out at an additional cost to be determined, which the Company expects to fund from its unallocated working capital or through further capital raising. No assurance can be given that the Company will be able to raise additional financing on terms acceptable to it, or at all, when the need arises.

Due to the nature of the business of mineral exploration, budgets are regularly reviewed with respect to both the success of the exploration program and other opportunities which may become available to the Company. Accordingly, if the results of the Phase I exploration program are not supportive of proceeding with Phase II, or if continuing with the Phase I exploration program becomes inadvisable for any reason, the Company may abandon in whole or in part its interest in the Property or may, as work progresses, alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for the purpose of conducting work or examining other properties acquired by the Company, although the Company has no present plans in this respect.

Milestones

The Company's business objective of completing the Offering under this Prospectus will occur on the Closing Date; and the Company's business objective of listing on the Exchange will occur on the Listing Date. The initial Phase I $2,530,000 recommended exploration field program is expected to take up to 12 months to complete.

DIVIDENDS OR DISTRIBUTIONS

The Company has not paid dividends since its incorporation. While there are no restrictions precluding the Company from paying dividends, it has no cash flow, and it anticipates using all available cash resources toward its stated business objectives. As such the Company does not anticipate the payment of dividends in the foreseeable future. At present, the Company's policy is to retain earnings, if any, to finance its business operations. The payment of dividends in the future will depend upon, among other factors, the Company's earnings, capital requirements and operating financial conditions.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT’S DISCUSSION AND ANALYSIS

Selected Financial Information

See “Summary of Prospectus” for summary of selected financial information.

Management’s Discussion and Analysis

The Management’s Discussion and Analysis (MD&A) of the Company’s financial statements for the years ended September 30, 2018 and September 30, 2019 and three months ended December 31, 2019 are attached to this Prospectus as Schedule “B”.

The MD&A of each year and period has been prepared by management in accordance with the requirements of National Instrument 51-102 as at the date of this Prospectus and includes financial information from, and should be read in conjunction with, the audited financial statements of the Company for the fiscal year ended September 30, 2018 and the fiscal year ended September 30, 2019, and the unaudited financial statements of the Company for the three month period ended December 31, 2019 and the notes thereto, appearing elsewhere in this Prospectus, as well as the disclosure contained throughout this Prospectus.

DESCRIPTION OF SECURITIES DISTRIBUTED

The securities being distributed by this Prospectus consist of:

(a) up to 14,000,000 Units; and

(b) up to 1,120,000 Compensation Options.

All of the above securities are qualified by this Prospectus. See “Plan of Distribution.” For details.

Units

Each Unit is comprised of one Unit Share (being a Common Share forming a part of each Unit) and one-half of one Unit Warrant, subject to adjustment in certain circumstances in accordance with the Warrant Indenture. The Units will separate into Unit Shares and Unit Warrants immediately upon issue.

Common Shares

The Company has one class of shares, being common shares (the “Shares”) without par value. The Company is authorized to issue an unlimited number of Shares, of which as of the date hereof 43,163,184 Shares are issued and outstanding as fully paid and non-assessable. The Company is seeking to sell and distribute up to 14,000,000 Shares by way of the Offering.

The Shares are not subject to any future call or assessment and do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the Shares, all of which rank equally as to all benefits which might accrue to the holders of the Shares. All holders of Shares are entitled to receive a notice of any general meeting to be convened by the Company. At any general meeting, subject to the restrictions on joint registered owners of Shares, every shareholder has one vote for each Share of which he is the registered owner. Voting rights may be exercised in person or by proxy.

The holders of Shares are entitled to share pro rata in any: (i) dividends if, as and when declared by the directors, and (ii) such of the Company’s assets as are distributable to them upon liquidation of the Company. The Shares issued and outstanding upon completion of the Offering will be fully paid and non-assessable. Rights pertaining to the Shares may only be amended in accordance with applicable corporate law.

Unit Warrants

The Unit Warrants are governed by the terms and conditions set forth in the Warrant Indenture between the Company and the Warrant Agent, which indenture provides for the creation of the Unit Warrants and includes a form of Unit Warrant certificate. The following is a summary description of certain material provisions of the Warrant Indenture, it does not purport to be a comprehensive summary and is qualified in its entirety by reference to the more detailed provisions of the Warrant Indenture, a copy of which may be obtained on request without charge from the Company at its registered office or electronically on SEDAR at www.sedar.com.

Each Unit Warrant will be exercisable to acquire one Warrant Share at an exercise price of $0.40 per Warrant Share at any time up to the date which is 18 months from the Closing Date, subject to adjustment in certain events. If, following the closing of the Offering, the closing price of the Common Shares on the CSE, or such other stock exchange on which the Common Shares are listed, if the Common Shares are listed on any stock exchange, is equal to or greater than $0.80 for any 10 consecutive trading days, the Company may, upon providing written notice to the holders of Unit Warrants, accelerate the expiry date of the Unit Warrants to the date that is 30 days following the date of such written notice.

The Warrant Indenture provides for adjustment in the number of Warrant Shares issuable upon the exercise of the Unit Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including: (i) the subdivision, re-division or change of the outstanding Common Shares into a greater number of Common Shares; (ii) the reduction, combination or consolidation of the outstanding Common Shares into a lesser number of Common Shares; (iii) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of the Common Shares as a stock dividend or other distribution (other than upon exercise of Warrants); and (iv) the fixing of a record date for the issuance or distribution to all or substantially all of the holders of the Common Shares of: (a) securities of any class, whether of the Company or any other trust (other than Common Shares), (b) rights, options or warrants to subscribe for or purchase Common Shares (or other securities convertible into or exchangeable for Common Shares), (c) evidences of its indebtedness, or (iv) any property or other assets.

The Warrant Indenture also provides for adjustments in the class and/or number of securities issuable upon exercise of the Unit Warrants and/or exercise price per security in the event of the following additional events: (i) reclassifications of the Common Shares or a capital reorganization other than as described above; (ii) consolidations, amalgamations, arrangements, or mergers of the Company with or into another entity; or (iii) the sale or conveyance of the property or assets of the Company as an entirety or substantially as on entirety to any other entity.

Notwithstanding the foregoing, no adjustment shall be made in the acquisition rights attached to the Unit Warrants if the issue of Common Shares is being made pursuant to the Warrant Indenture or in connection with: (i) any share incentive plan or restricted share plan or share purchase plan in force from time to time for directors, officers, employees, consultants or other service providers of the Company; or (ii) the satisfaction of existing instruments issued at the Closing Date.

The Company has agreed that, so long as any Unit Warrant remains outstanding, it will give notice to the Warrant Agent and to the holders of Unit Warrants of its intention to fix a record date that is prior to the expiry date of the Unit Warrants for any matter for which an adjustment may be required pursuant to the Warrant Indenture. Such notice is to specify the particulars of such event and the record date for such event, provided that the Company shall only be required to specify in the notice such particulars of the event as shall have been fixed and determined on the date on which the notice is given. The notice is to be given, in each case, not less than 14 days prior to such applicable record date. If notice has been given and the adjustment is not then determinable, the Company shall promptly, after the adjustment is determinable, file with the Warrant Agent a computation of the adjustment and give notice to the holders of Unit Warrants of such adjustment computation.

Neither the Unit Warrants nor the Common Shares issuable upon exercise of the Unit Warrants have been or will be registered under the U.S. Securities Act or any state securities regulations. Accordingly, the Unit Warrants may not be exercised in the United States or by, or on behalf of, a U.S. Person (as defined in Rule 902(k) of the U.S. Securities Act) or a person in the United States unless exemptions are available from the registration requirements of the U.S. Securities Act and the securities laws of all applicable states.

No fractional Warrant Shares will be issuable upon the exercise of any Unit Warrants, and no cash or other consideration will be paid in lieu of fractional shares. Holders of Unit Warrants will not have any voting or pre-emptive rights or any other rights that a holder of Common Shares would have.

Warrant Shares

The Warrant Shares issuable pursuant to exercise of the Unit Warrants will have the same rights as the Common Shares. See "*Description of Securities Distributed – Common Shares*" for a description of the rights of holders of Common Shares.

Compensation Options

On the Closing Date, the Company will issue Compensation Options to the Agent. The Compensation Options will be qualified by this Prospectus and be free of any resale restrictions. Each Compensation Option will be exercisable at $0.25 per Compensation Option for a period of eighteen (18) months following the Closing Date to acquire one Common Share and one-half of one Compensation Warrant. Each Compensation Warrant will be exercisable to purchase one Compensation Warrant Share at $0.40 for a period of 18 months from the Closing Date, subject to the same acceleration clause as the Unit Warrants.

The certificates representing the Compensation Options and Compensation Warrants will, among other things, include provisions for the appropriate adjustment in the class, number and price of the Compensation Warrants to be issued on exercise of such options upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, the payment of stock dividends, and corporate reorganization of the Company. The issue of Compensation Options will not restrict or prevent the Company from obtaining any other financing, or from issuing additional securities or rights, during the period within which the options may be exercised.

CONSOLIDATED CAPITALIZATION

The following table summarizes the Company's share capitalization; and should be read in conjunction with the financial statements appearing elsewhere in this Prospectus:

Designation of Security	Amount Authorized	Amount Outstanding at December 31, 2019	Amount Outstanding at date of this Prospectus	Amount Outstanding upon Completion of the Minimum Offering	Amount Outstanding upon Completion of the Maximum Offering
Common Shares	Unlimited	36,898,639	43,163,184	51,163,184	57,163,184
Compensation Options	n/a	nil	nil	640,000	1,120,000
Share Purchase Warrants	n/a	9,255,456	15,490,001	19,490,001	22,490,001
Stock Options	n/a	2,010,000	3,990,000	3,990,000	3,990,000

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES

Summary of Stock Option Plan

Incentive stock options are governed by the Company's stock option plan (the "**Plan**") approved by the Company's directors on March 21, 2019. The purpose of the Plan is to offer to the Company's directors, officers, employees and consultants (and those of its affiliates) the opportunity to acquire a proprietary interest in the Company, thereby providing an incentive to such persons to promote the best interests of the Company, and to provide the Company with the ability to attract qualified persons as directors, officers and employees.

The Plan is administered by the Company's directors. The material terms of the Plan are as follows:

1. The aggregate maximum number of options which may be granted under the Plan at any one time is 10% of the number of Shares the Company has outstanding at the time of grant.

2. The term of any options granted under the Plan will be fixed by the board of directors at the time such options are granted, provided that options will not be permitted to exceed a term of ten years, with the exception of any options extended due to a Blackout Period (as defined in the Plan).

3. The exercise price of any options granted under the Plan will be determined by the board of directors, in its sole discretion, but shall not be less than the greater of: (i) the closing price of the Company's Shares on the trading day preceding the day on which the directors grant such options; and (ii) the closing price of the Company's Shares on the date of grant of such options.

4. The board of directors may impose vesting periods on any options granted.

5. Options granted to persons who perform investor relations services shall vest in stages over not less than 12 months and no more than one-quarter (1/4) of such options may be vested in any three (3) month period.

6. All options will be non-assignable and non-transferable (except upon the death of an option holder, in which case any outstanding options may be exercised by the option holder's successors).

7. If an option expires or terminates for any reason without having been exercised in full, the un-purchased Shares subject thereto shall again be available for the purposes of the Plan.

8. The board of directors shall not grant options to any one person in a 12 month period which will, when exercised, exceed 5% of the issued and outstanding Shares of the Company (calculated at the date such options are granted); or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding Shares of the Company, calculated at the date such options are granted.

9. If the option holder ceases to be a service provider of the Company (other than by reason of death, disability or termination for just cause), then the option granted shall expire on no later than the 90th day following the date that the option holder ceases to be a service provider of the Company, subject to the terms and conditions set out in the Plan. If the option holder's position as a director, officer, employee or consultant is terminated for just cause, then the option granted shall expire the date of termination for just cause.

10. Disinterested shareholder approval must be obtained for (i) any reduction in the exercise price of an outstanding option, if the option holder is an insider; (ii) any grant of options to insiders or any increase in the number of Shares reserved for issuance pursuant to options previously granted, within a 12 month period, exceeding 10% of the Company's issued Shares at the time of the grant of the options; (iii) any grant of options to any one individual, within a 12 month period, exceeding 5% of the Company's issued Shares; and (iv) any individual option event that would result in the limitations set out in items (ii) or (iii) being exceeded.

11. Options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of the Company's common shares.

As of the date hereof, there are 3,990,000 options outstanding under the Plan. The options are held as follows:

Name of Optionee	Designation of Securities under Option	Number of Shares under Option	Exercise Price Per Share	Expiry Date
All executive officers and past executive officers as a group (6 persons)	Shares Shares	1,155,000[1] 1,230,000[2]	$0.20 $0.30	March 21, 2024 March 10, 2025
All directors and past directors who are not also executive officers as a group (3 persons)	Shares Shares	855,000[1] 750,000[2]	$0.20 $0.30	March 21, 2024 March 10, 2025
Total		**3,990,000**		

1. Options or Shares realized upon exercise thereof will be subject to escrow.
2. None of the options or Shares realized upon exercise thereof will be subject to escrow.

Compensation Options

Pursuant to the terms of the Agency Agreement, the Agent will be granted the Compensation Options exercisable at $0.25 per Compensation Option for a period of eighteen (18) months following the Closing Date to acquire one Common Share and one-half of one Compensation Warrant. Each Compensation Warrant will be exercisable to purchase one Compensation Warrant Share at $0.40 for a period of 18 months from the Closing Date, subject to the same acceleration clause as the Unit Warrants.

Warrants

As of the date hereof, there are currently 15,490,001 common share purchase warrants of the Company outstanding. It is currently anticipated that such common share purchase warrants will be held in the following amounts by the persons outlined below:

Name of Warrant Holder	Designation of Securities under Warrant	Number of Shares under Warrant	Exercise Price Per Share	Expiry Date
All executive officers and past executive officers as a group (5 persons)	Shares Shares	550,000[1] 215,000[1]	$0.30 $0.30	June 19, 2022 July 31, 2022
All directors and past directors who are not also executive officers as a group (2 persons)	Shares Shares	831,818[1] 100,000[1]	$0.30 $0.30	June 19, 2022 July 31, 2022
Total		1,696,818		

1. Warrants or Shares realized upon exercise thereof will be subject to escrow.

PRIOR SALES

Since the date of incorporation, the following Shares or securities convertible or exercisable into Common Shares have been issued:

Date	Number and Type of Securities	Issue / Exercise Price Per Security	Aggregate Issue / Exercise Price	Nature of Consideration Received
May 9, 2017	1 Share[1]	$1.00	$1	Cash

Date	Number and Type of Securities	Issue / Exercise Price Per Security	Aggregate Issue / Exercise Price	Nature of Consideration Received
December 31, 2017	15,895,000 Shares[3]	$0.031	$500,000	Mineral Property
January 4, 2018	3,300,000 Shares[2]	$0.005	$16,500	Services
June 4, 2018	3,150,000 Shares[4]	$0.10	$315,000	Cash
July 1, 2018	2,805,000 Shares[5]	$0.10	$280,500	Mineral Property
July 4, 2018	3,065,000 Shares[6]	$0.20	$613,000	Cash
February 14, 2019	300,000 Shares[7]	$0.20	$60,000	Mineral Property
February 20, 2019	50,000 Shares[8]	$0.20	$10,000	Cash
March 21, 2019	2,210,000 Options[9]	$0.20	$442,000	N/A
April 5, 2019	2,535,000 Shares[10] 30,000 Shares	$0.30 $0.30	$760,500 $9,000	Cash Finder's Fee
September 28, 2019	200,000 Options Cancelled[9]	$0.20	($40,000)	N/A
December 19, 2019	5,768,638 Shares[11] 5,768,638 Warrants[11]	$0.22 $0.30	$1,269,100 $1,730,591	Cash Cash
December 19, 2019	3,456,818 Warrants[12]	$0.30	$1,037,045	Cash
January 31, 2020	6,264,545 Shares[13] 6,264,545 Warrants[13]	$0.22 $0.30	$1,378,200 $1,879,364	Cash Cash
March 10, 2020	1,980,000 Options[9]	$0.30	$594,000	N/A
Totals	**43,163,184 Shares** **15,490,001 Warrants** **3,990,000 Options**		**$5,211,801** **$4,647,000** **$996,000**	

1. Share issued on incorporation.
2. Shares issued to the founders, for nominal consideration; all of which are held in escrow under the Escrow Agreement. See "Escrowed Shares" below.
3. Shares issued pursuant to the Assignment Agreement, all of which are held in escrow under the Escrow Agreement. See "Escrowed Shares" below.
4. Shares issued pursuant to a private placement. 500,000 of these Shares are held in escrow under the Escrow Agreement. See "Escrowed Shares" below.
5. Shares issued pursuant to the Northern NSW Romardo Project.
6. Shares issued pursuant to a private placement. 602,500 of these Shares are held in escrow under the Escrow Agreement. See "Escrowed Shares" below.
7. Shares issued pursuant to the AI Project.
8. Shares issued pursuant to a private placement. 50,000 of these Shares are held in escrow under the Escrow Agreement. See "Escrowed Shares" below.
9. See "Options and Other Rights to Purchase Securities" above. 200,000 of these options were cancelled on September 28, 2019.
10. Shares issued pursuant to a private placement. 500,000 of these Shares are held in escrow under the Escrow Agreement. See "Escrowed Shares" below.
11. Shares and Warrants issued pursuant to a unit private placement. The Warrants are exercisable at a price of $0.30 per Share until June 22, 2022. 700,000 of these Shares and Warrants are held in escrow under the Escrow Agreement. See "Escrowed Shares" below.

12. Warrants issued pursuant to the private placements that are exercisable at a price of $0.30 per Share until June 22, 2022. 681,818 of these Warrants are held in escrow under the Escrow Agreement. See "Escrowed Shares" below.
13. Shares and Warrants issued pursuant to a unit private placement. The Warrants are exercisable at a price of $0.30 per Share until July 31, 2022. 315,000 of these Shares and Warrants are held in escrow under the Escrow Agreement. See "Escrowed Shares" below.

FULLY DILUTED SHARE CAPITAL

The following table sets out the Company's share capital on a fully diluted basis after closing of the Offering:

Description	No. of Shares (Minimum Offering)	Percentage of Shares (Minimum Offering)	No. of Shares (Maximum Offering)	Percentage of Shares (Maximum Offering)
Shares outstanding prior to the Offering	43,163,184	57.09%	43,163,184	50.59%
Shares issued pursuant to the Offering	8,000,000	10.58%	14,000,000	16.41%
Sub-total	**51,163,184**	**67.67%**	**57,163,184**	**67.00%**
Share Purchase Warrants outstanding prior to the Offering	15,490,001	20.49%	15,490,001	18.15%
Unit Warrants issued pursuant to the Offering	4,000,000	5.29%	7,000,000	8.20%
Shares underlying Compensation Options issued pursuant to the Offering	640,000	0.85%	1,120,000	1.31%
Compensation Warrants issued pursuant to the Offering	320,000	0.42%	560,000	0.66%
Stock Options outstanding prior to the Offering	3,990,000	5.28%	3,990,000	4.68%
Total	**75,603,185**	**100.00%**	**85,323,185**	**100.00%**

ESCROWED SECURITIES AND SECURITIES SUBJECT TO RESTRICTIONS ON TRANSFER

Escrowed Securities

National Policy 46 – 201, *Escrow for Initial Public Offerings* ("NP 46-201"), sets out a national escrow regime applicable to initial public distributions. Pursuant to that policy, the Securities held by certain securityholders must be placed in escrow with the Escrow Agent, to be released therefrom over a period of three years. The following table sets forth the aggregate number of securities to be held in escrow following the completion of the Offering:

Designation or Class	Number of Securities Held in Escrow[1]	Percentage of Class upon Completion of Minimum Offering[2]	Percentage of Class upon Completion of Maximum Offering[3]
Common Shares	21,862,501	42.73%	38.25%
Share Purchase Warrants	1,696,818	8.71%	7.54%
Stock Options	2,010,000	50.38%	50.38%

1. Securities are held in escrow pursuant to the Escrow Agreement. The securityholders subject to escrow are set forth in the table below. Pursuant to the Escrow Agreement the Escrowed Securities will be released from escrow as to 10% upon the Listing Date, with the balance in six equal releases at six-month intervals over the 36 months following the Listing Date. The Escrow agent is National Securities Administrators Ltd. See disclosure below for details of the dates and conditions of release of the Escrowed Shares.
2. Based on there being 51,163,184 Shares outstanding, 19,490,001 common share purchase warrants outstanding, that the Compensation Options have been exercised and that none of the escrowed shareholders participate in the Offering.
3. Based on there being 57,163,184 Shares outstanding, 22,490,001 common share purchase warrants outstanding, that the Compensation Options have been exercised and that none of the escrowed shareholders participate in the Offering.

The following is a list of those securityholders who own Escrowed Securities subject to the Escrow Agreement:

Name and Municipality of Residence	No. of Escrow Shares	No. of Escrow Share Purchase Warrants	No. of Escrow Stock Options
Ore Capital Partners Ltd. *Vancouver, British Columbia*	14,750,001[1]	831,818	Nil
Cecil R. Bond *Langley, British Columbia*	300,000[1]	Nil	285,000
Tero Kosonen *Shanghai, China*	1,045,000[2]	100,000[2]	285,000
Stuart Smith *Mooney Mooney, New South Wales, Australia*	150,000[1]	Nil	285,000
Carl Swensson *Wallaga Lake Heights, New South Wales, Australia*	1,100,000[1]	Nil	285,000
Alistair Waddell *Vancouver, British Columbia*	2,800,000[1]	100,000	285,000
Wendell Zerb *Burnaby, British Columbia*	1,550,000[1]	550,000	285,000
Quaestus Strategies Corp. *Vancouver, British Columbia*	52,500[3]	Nil	100,000
1185313 B.C. Ltd. *Vancouver, British Columbia*	15,000[4]	15,000	Nil
Cariboo Sky Consulting Ltd. *Port Moody, British Columbia*	50,000[5]	50,000	Nil
Sandra Wong *Vancouver, British Columbia*	50,000[1]	50,000	100,000

Name and Municipality of Residence	No. of Escrow Shares	No. of Escrow Share Purchase Warrants	No. of Escrow Stock Options
Alain Voisin *Port Moody, British Columbia*	Nil	Nil	100,000
Total	**21,862,501**	**1,696,818**	**2,010,000**

1. Owned beneficially and of record.
2. Owned beneficially and registered to an intermediary in trust.
3. Emma Fairhurst owns 100% of the voting securities of Quaestus Strategies Corp.
4. Emma Fairhurst owns 100% of the voting securities of 1185313 B.C. Ltd.
5. Alain Voisin owns 100% of the voting securities of Cariboo Sky Consulting Ltd.

The Company is an "emerging issuer" as defined in NP 46-201. Should the Company become an "established issuer" as defined in NP 46-201, the release of the remaining Escrowed Securities will be accelerated on a retroactive basis such that 25% would have been released on the Listing Date and an additional 25% would have been released every six months thereafter.

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 except for certain circumstances, including:

(a) transfers to continuing or incoming directors and senior officers, subject to the Company's Board of Directors' approval;

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

(c) transfers upon bankruptcy to a trustee in bankruptcy; and

(d) pledges to a financial institution as collateral for a *bona fide* loan, provided that upon a realization the securities remain subject to escrow.

The complete text of the Escrow Agreement is available for inspection at the registered and records office of the Company and is also available on SEDAR at *www.sedar.com*.

Securities Subject to Resale Restrictions

There are no securities of the Company that are subject to resale restrictions in Canada.

None of the Units, Unit Shares, Unit Warrants or Warrant Shares have been or will be registered under the U.S. Securities Act or any state securities regulations. Accordingly, the Units may not be issued in the United States or to, or for the benefit of any U.S. Person (as defined in Rule 902(k) of the U.S. Securities Act) or a person in the United States unless exemptions are available from the registration requirements of the U.S. Securities Act and the securities laws of all applicable states. Any securities issued in the United States or to, or for the benefit of any U.S. or a person in the United States, are deemed to be "*restricted securities*" as defined in Rule 144 of the U.S. Securities Act.

PRINCIPAL SHAREHOLDERS

To the knowledge of the Company's directors and officers, the following persons will beneficially own, as of the date of this Prospectus and as of Closing Date, directly or indirectly, or exercise control or direction over, more than 10% of the Company's Shares:

	Prior to the Offering		Following Close of the Minimum Offering		Following Close of the Maximum Offering	
Name and Municipality of Residence	**Number of Shares Owned Directly or Indirectly**	**Percentage of Shares Held[1]**	**Number of Shares Owned Directly or Indirectly**	**Percentage of Shares Held[2]**	**Number of Shares Owned Directly or Indirectly**	**Percentage of Shares Held[3]**
Ore Capital Partners Ltd.[4,6] *Vancouver, British Columbia*	14,750,001	35.42%[5]	14,750,001	29.97%[5]	14,750,001	26.87%[5]

1. Assumes 43,163,184 Shares outstanding prior to the Offering.
2. Assumes 51,163,184 Shares outstanding following Close of the Offering.
3. Assumes 57,163,184 Shares outstanding following Close of the Offering.
4. The Principal Shareholders of Ore Capital Partners Ltd. include Faveo Capital Ltd. (30.87% interest) whose voting securities are 100% owned by Four Star Family Trust Ltd., Tero Kosonen (15.44% interest) and Alistair Waddell (14.30% interest). The directors of Ore Capital Partners Ltd. are Tero Kosonen, who is also a director of the Company, and Garry Stock.
5. Includes the exercise of 831,818 share purchase warrants held by Ore Capital Partners Ltd.
6. Ore Capital Partners Ltd. will hold 20.61% of the Company's Shares on a fully-diluted basis under the minimum Offering and 18.26% of the Company's Shares on a fully-diluted basis under the maximum Offering.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Address, Position, Occupation and Security Holding

The name, province of residence, position, principal occupation and the number of voting securities of the Company that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date hereof are set out in the table below.

Name and Province of Residence and Position with the Company	Director/Officer Since	Principal Occupation or Employment for the Past Five Years	Number and % of Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)
ALISTAIR WADDELL British Columbia, Canada *President, Chief Executive Officer and Director*	Director since February 1, 2018. President and Chief Executive Officer since May 9, 2018.	Geologist and director and officer of several mining and mineral exploration companies. VP Greenfields Exploration for Kinross Gold Corporation from July 2010 to December 2015. Director of Precipitate Gold Corp. from March 2016 to present. Director of Spey Resources Corp. from June 2018 to present. Chairman and director of Headwater Gold Inc. from January 2019 to present. Director of Winshear Gold Corp. from September 2019 to present.	2,800,000[2] 8.05%[3]
WENDELL ZERB[1] British Columbia, Canada *Chairman and Director*	Director since March 20, 2019. Chairman since December 10, 2019.	Geologist and Businessman. President and Chief Executive Officer of Exeter Resource Corporation from February 2013 to June 2017.	1,550,000 6.17%[4]
STUART SMITH[1] New South Wales, Australia *Director*	Director since March 20, 2019.	Geologist and Businessman. Technical Director and Global Copper Specialist of Teck Resources Ltd. from September 2013 until December 2018. Director of Vizsla Resources Corp. from February 2019 until present and Riley Resources Ltd from March 2019 until present.	150,000 1.57%[5]
TERO KOSONEN Shanghai, China *Director*	Director since March 20, 2019.	Businessman and director and officer of several companies in various industries, including mining. In 2017, Co-Founded Ore Capital Partners Ltd., a venture capital group investing in mineral exploration opportunities globally.	1,045,000[6] 3.84%[7]
CECIL R. BOND[1] British Columbia, Canada *Director*	Director since March 20, 2019.	Chartered Professional Accountant (CPA, CA) and Businessman. Director and Executive Vice President, Finance of Rugby Mining Limited from March 2018 to present. Director of Colorado Resources Inc. from April 2018 to present. Chief Financial Officer of Exeter Resource Corporation from April 2005 to June 2017.	300,000 1.91%[5]

Name and Province of Residence and Position with the Company	Director/Officer Since	Principal Occupation or Employment for the Past Five Years	Number and % of Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)
CARL SWENSSON New South Wales, Australia *VP Exploration, Director of Subsidiaries*	VP Exploration since February 1, 2018.	Professional Geologist and Businessman. Vice President, Exploration of Jaxon Mining Inc. from September 2017 to September 2018 and Director, Swensson Integrated Resource Management from 2006 to present.	1,100,000[8] 3.74%[5]
ALAIN VOISIN British Columbia, Canada *Chief Financial Officer*	Chief Financial Officer since May 9, 2018.	Chartered Professional Accountant (CPA, CGA) and officer of several mineral exploration companies. Chief Financial Officer and Corporate Secretary of Jaxon Mining Inc. from October 2018 to present and Westminster Resources Ltd. from July 2018 to January 2020. Controller and Chief Financial Officer of Dolly Varden Silver Corp. from June 2012 to December 2016.	50,000 0.78%[9]
SANDRA WONG British Columbia, Canada *Corporate Secretary*	Corporate Secretary since March 20, 2019.	Chartered Professional Accountant (CPA, CGA) and officer of several mineral exploration companies. Chief Financial Officer and Corporate Secretary of Opawica Explorations Inc. from July 2008 to present, RT Minerals Corp. from March 2009 to present, and Discovery Harbour Resources Corp. from September 2018 to present. Corporate Secretary of Crest Resources Inc. from April 2019 to present and Headwater Gold Inc. from May 2019 to present.	50,000 0.78%[9]

1. Member of the Audit Committee.
2. Held directly. In addition, Mr. Waddell holds a 14.30% interest in Ore Capital Partners Ltd., a private British Columbia company that owns 14,750,001 Shares and 831,818 Share Purchase Warrants.
3. Includes the exercise of 100,000 share purchase warrants and 635,000 stock options.
4. Includes the exercise of 550,000 share purchase warrants and 635,000 stock options.
5. Includes the exercise of 535,000 stock options.
6. Held directly. In addition, Mr. Kosonen is a director of and holds a 15.44% interest in Ore Capital Partners Ltd., a private British Columbia company that owns 14,750,001 Shares and 831,818 Share Purchase Warrants.
7. Includes the exercise of 100,000 share purchase warrants and 535,000 stock options.
8. Held directly. In addition, Mr. Swensson holds a 2.72% interest in Ore Capital Partners Ltd., a private British Columbia company that owns 14,750,001 Shares and 831,818 Share Purchase Warrants.
9. Includes the exercise of 50,000 share purchase warrants and 240,000 stock options.

The term of office for the Company’s directors and members of committees expires at each annual general meeting. The board of directors after each such meeting appoints the committees for the ensuing year. The Company currently has one board committee, being the audit committee, which presently consists of Cecil R. Bond (Chair), Stuart Smith and Wendell Zerb.

As of the date hereof, the directors and executive officers, including spouses and associates, as a group beneficially own, directly or indirectly, or exercise control or direction over 21,795,001 Shares representing 50.49% of the issued and outstanding Shares prior to the Offering, 42.60% of the issued and outstanding Shares upon completion of the Minimum Offering, and 38.13% of the issued and outstanding Shares upon completion of the Maximum Offering.

Management of the Company

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

ALISTAIR WADDELL, BSc., MAusIMM, *President, Chief Executive Officer and Director*

Mr. Waddell, age 46, has been President and Chief Executive Officer of the Company since May 9, 2018 and a director of the Company since February 1, 2018. He is also a director of the Company's subsidiaries, Australian Consolidated Gold Holdings Pty Ltd and ACGH II Pty Ltd, since August 8, 2019 and Romardo Copper (NSW) Pty Ltd since February 11, 2020. His responsibilities with the Company in his capacity as President and CEO include capital raising and investor communications, managing day-to-day operations of the Company, executing policies implemented by the Board of Directors and reporting back to the Board. Mr. Waddell holds a B.Sc. (Hons.) Degree in Geology from the University of Derby in the United Kingdom (1994) and is a member of both the Society of Economic Geologists since 1999 and the Australian Institute of Metallurgy and Mining since 2014.

Mr. Waddell is an exploration Geologist with over 25 years of international experience in the mining industry. His diverse, global experience bridges both junior and major companies giving him a broad vision of the mining industry and associated capital markets. Mr. Waddell was a founder and former President and CEO of GoldQuest Mining Corp., an exploration company primarily focused exploration of on the Dominican Republic. He was previously Vice President - Greenfields Exploration for Kinross Gold Corp. from June 2010 to December 2015, responsible for all global Greenfields exploration initiatives. He is currently serving as director of Precipitate Gold Corp. since March 2016, a director of Palamina Corp. since November 2017, a director of Spey Resources Corp. since June 2018, Chairman and director of Headwater Gold Inc. since January 2019, and a director of Winshear Gold Corp. since September 2019. During his career he has lived and worked in the Dominican Republic, Bolivia, Peru, Ecuador, Chile, Venezuela, Australia and Canada.

Mr. Waddell is an employee of the Company; and, in his capacity as CEO, will dedicate the majority of his time to the affairs of the Company. Mr. Waddell is subject to an employment agreement with the Company, and so is contractually bound by confidentiality restrictions but not non-competition restrictions.

WENDELL ZERB, BSc., P.Geo., *Chairman and Director*

Mr. Zerb, age 56, has been Chairman of the Company since December 10, 2019 and a director of the Company since March 20, 2019. His responsibilities with the Company in his capacity as Chairman and director include assisting the CEO with capital raising and investor communications and overseeing management of the Company including serving on the audit committee. Mr. Zerb holds a B.Sc. Degree in Geology from the University of Alberta (1987).

Mr. Zerb has over 30 years combined experience in capital markets, mining, and mineral exploration and development. He previously served as Director, Research Analyst, Metals and Mining (Canaccord Genuity Inc.), Vice President of Research and Institutional Sales, and President and Chief Executive Officer of a wholly owned US subsidiary (PI Financial). Most recently, he was President and CEO of Exeter Resource Corporation from February 2013 to June 2017. Exeter controlled the Caspiche Au – Cu deposit in Chile and was successfully purchased by Goldcorp in June 2017.

Mr. Zerb is not an employee or independent contractor of the Company and in his capacity as Chairman and director will dedicate approximately 33% of his working time to the affairs of the Company. Mr. Zerb is not a party to any written non-competition or confidentiality agreement with the Company.

CARL SWENSSON, BSc., FAusIMM, ***VP Exploration***

Mr. Swensson, age 66**,** has been Vice President of Exploration of the Company since February 1, 2018. He is also a director of the Company's subsidiaries, Australian Consolidated Gold Holdings Pty Ltd since June 23, 2017, ACGH II Pty Ltd since January 8, 2018 and Romardo Copper (NSW) Pty Ltd since February 11, 2020. His responsibilities with the Company in his capacity as VP Exploration include management of the Company's resource properties and as director include directing and overseeing management of the Company's subsidiaries. Mr. Swensson holds a B.Sc. Degree in Geology from the University of Tasmania (1977) and an Honours Degree (1978), is a Fellow of the Australian Institute of Metallurgy and Mining since 1991 and is a Member of the Society of Economic Geologists since 2010.

Mr. Swensson is a Geologist with over 30 years of extensive global experience in mineral exploration and resource assessment. He is the former Chief Geologist of Exploration for Normandy Mining from 1989 to 2002, during which time the Company grew from $100 Million to a $4.9 Billion market capitalization. He has wide-ranging, global field experience in most commodities and deposit styles for gold, base metals, lithium, uranium, diamonds, coal and graphite. Mr. Swensson's principal occupation or employment during the last five years is a Geologist and Businessman. He was Vice President, Exploration of Jaxon Mining Inc. from September 2017 to September 2018 and is the Director of Swensson Integrated Resource Management from 2006 to present.

Mr. Swensson is an independent contractor of the Company; and, in his capacity as VP Exploration, will dedicate 100% of his working time to the affairs of the Company. Mr. Swensson is subject to an independent contractor agreement with the Company, and so is contractually bound by confidentiality restrictions but not non-competition restrictions.

TERO KOSONEN, M.Sc. (Econ.), ***Director***

Mr. Kosonen, age 50, has been a director of the Company since March 20, 2019. He is also a director of the Company's subsidiaries, Australian Consolidated Gold Holdings Pty Ltd and ACGH II Pty Ltd, since August 8, 2019 and Romardo Copper (NSW) Pty Ltd since February 11, 2020. As a director, he is responsible for directing and overseeing management of the Company including serving on the audit committee. Mr. Kosonen holds a Master's degree in Economics from the University of Tampere in Finland (1993).

Mr. Kosonen is a co-founder and director of Ore Capital Partners Ltd., a private equity/venture capital group investing in mineral exploration opportunities globally. He has lived in Asia since 1994 and has over 25 years of experience in regional management roles, entrepreneurial ventures and investments in natural resources. Mr. Kosonen's principal occupation during the last five years is a Businessman and Investor.

Mr. Kosonen is not an employee or independent contractor of the Company and in his capacity as director will dedicate less than 10% of his working time to the affairs of the Company. Mr. Kosonen is not a party to any written non-competition or confidentiality agreement with the Company.

STUART SMITH, BSc., PhD, ***Director***

Dr. Smith, age 55, has been a director of the Company since March 20, 2019. As a director, he is responsible for directing and overseeing management of the Issuer. Dr. Smith holds a PhD in Economic Geology from the University of Tasmania, Australia and an BSc (Honours 1) from the University of New England, Australia.

Dr. Smith is a Geologist with 30 years global experience from early stage exploration through to mine geology. He is the former Technical Director – Strategy & New Projects as well as Specialist – Global Copper for Teck Resources Ltd. He was previously the Chief Geologist for the Oxiana-OZ Minerals-MMG group of companies. From 1995 to 2001, he worked in New South Wales, near to the Company's exploration projects, where he developed a detailed understanding of the geology and exploration of Macquarie Arc porphyry systems. Dr. Smith's principal occupation or employment during the last five years is a Geologist and Manager with Teck Resources Ltd.

Dr. Smith is not an employee or independent contractor of the Company and in his capacity as director will dedicate less than 10% of his working time to the affairs of the Company. Dr. Smith is not a party to any written non-competition or confidentiality agreement with the Company.

CECIL R. BOND, CPA, CA, *Director*

Mr. Bond, age 63, has been a director of the Company since March 20, 2019. As a director, he is responsible for directing and overseeing management of the Company including serving on the audit committee. Mr. Bond holds a Bachelor of Commerce (B.Com) degree from the University of Cape Town (1981), a Certificate in Theory of Accounting from the University of Cape Town (1982), a Chartered Accountant designation from the South African Institute of Chartered Accountants (1985) and a Chartered Professional Accountant (British Columbia) (Chartered Accountant) designation (1997).

Mr. Bond is a Chartered Professional Accountant (CPA, CA) with over 20 years of global experience in the junior resource and mining industry serving as a director or senior executive of companies listed on the TSX, TSX-V, ASX, AIM and NYSE markets. Mr. Bond is the former Chief Financial Officer of Exeter Resource Corporation until it was acquired by Goldcorp in June 2017 and VP Finance of Extorre Gold Mines Ltd until it was acquired by Yamana Gold. Mr. Bond's principal occupation or employment during the last five years is a Businessman. He has served as Director and Executive Vice President, Finance of Rugby Mining Limited from March 2018 to present, Director of Colorado Resources Inc. from April 2018 to present, and formerly served as Chief Financial Officer of Exeter Resource Corporation from April 2005 to June 2017.

Mr. Bond is not an employee or independent contractor of the Company and in his capacity as director will dedicate less than 10% of his working time to the affairs of the Company. Mr. Bond is not a party to any written non-competition or confidentiality agreement with the Company.

ALAIN VOISIN, CPA, CGA, *Chief Financial Officer*

Mr. Voisin, age 50, has been the Chief Financial Officer since May 9, 2018. In his capacity as CFO, Mr. Voisin reports to the President of the Company regarding strategic and tactical matters as they relate to budget management, cost-benefit analysis, forecasting needs and securing adequate funding, and is responsible for financial reporting and maintaining the financial records of the Company. Mr. Voisin holds a Bachelor of Science (BSc) degree from Western University (1992), a Graduate Diploma in Public Accounting from McGill University (1995) and a Chartered Professional Accountant (British Columbia) (Certified General Accountant) designation (2000).

Mr. Voisin is a professional accountant and provides accounting services to public and private companies. He currently serves as Chief Financial Officer and Corporate Secretary of Jaxon Mining Inc. (October 2018 to present). He formerly served as Chief Financial Officer and Corporate Secretary of Westminster Resources Ltd. (July 2018 to January 2020), Chief Financial Officer (July 2015 to December 2016) and Controller (June 2012 to June 2015) of Dolly Varden Silver Corp., and a Canadian Armed Forces Reservist (August 2013 to August 2015).

Mr. Voisin is an independent contractor of the Company; and, in his capacity as CFO, will dedicate approximately 40% of his working time to the affairs of the Company. Mr. Voisin is subject to a contractor agreement with the Company, and so is contractually bound by confidentiality restrictions but not non-competition restrictions.

SANDRA WONG, CPA, CGA, *Corporate Secretary*

Ms. Wong, age 49, has been Corporate Secretary of the Company since March 20, 2019. In her capacity as Corporate Secretary, Ms. Wong is responsible for the efficient administration of the Company, particularly with regard to ensuring compliance with statutory and regulatory requirements and for ensuring that decisions of the board of directors are implemented. Ms. Wong holds a Bachelor of Commerce (B.Com) degree from the University of British Columbia (1993) and a Chartered Professional Accountant (British Columbia) (Certified General Accountant) designation (1999).

Ms. Wong is a Chartered Professional Accountant (CPA, CGA) and provides accounting, corporate secretarial and administrative services to public and private companies. She has several years of experience with reporting issuers, and currently serves as Chief Financial Officer and Corporate Secretary of Opawica Explorations Inc. (July 2008 to present), RT Minerals Corp. (March 2009 to present) and Discovery Harbour Resources Corp. (September 2018 to present), as well as Corporate Secretary of Crest Resources Inc. (April 2019 to present) and Headwater Gold Inc. (May 2019 to present).

Ms. Wong is an employee of the Company; and, in her capacity as Corporate Secretary, will dedicate approximately 20% of her working time to the affairs of the Company. Ms. Wong is subject to an employment agreement with the Company, and so is contractually bound by confidentiality restrictions but not non-competition restrictions.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

None of the Company's directors or executive officers are, as at the date of this Prospectus, or have been within 10 years before the date of this Prospectus, a director, chief executive officer or chief financial officer of any company (including the Company) that:

(a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

None of the Company's directors, executive officers or a shareholder holding a sufficient number of securities to affect materially the control of the Company:

(a) except as disclosed below, is, as at the date of this Prospectus, or has been within the 10 years before the date of this Prospectus, a director or executive officer of any company (including the 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;

    SORD Resources Ltd., a private Australian technology company of which Carl Swensson was Managing Director, was voluntarily placed under administration on July 15, 2010 by the board. No fault due to the management of the company was found by the administrator. The company ran out of funds and was placed into receivership with no debt while still trading solvent.

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

(c) 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

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

Conflicts of Interest

The Company's directors are required to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests which they may have in any project or opportunity of the Company. However, the directors and officers may serve on the boards and/or as officers of other companies which may compete in the same industry as the Company, giving rise to potential conflicts of interest. To the extent that such other companies may participate in ventures in which the Company may participate, they may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such conflicts of interest arise at a meeting of directors, such conflicts of interest must be declared and the declaring parties must abstain from voting for or against the approval of such participation. The remaining directors will determine whether or not the Company will participate in any such project or opportunity.

The Company's directors and officers are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest, and will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. Such directors or officers in accordance with the *Business Corporations Act* (British Columbia) will disclose all such conflicts and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

EXECUTIVE COMPENSATION

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

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

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

(c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the three most recently completed financial years 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 Company, nor acting in a similar capacity, as at the end of the three most recently completed financial years,

(each a "Named Executive Officer").

Compensation Discussion and Analysis

In assessing the compensation of its Named Executive Officers, the Company 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 Company. The satisfactory discharge of such duties is subject to ongoing monitoring by the Company's directors.

The Company's Named Executive Officer compensation during the two most recently completed financial years ended September 30, 2019 and September 30, 2018 and the financial period from Incorporation on May 9, 2017 to September 30, 2017 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 Company's Named Executive Officers and for evaluating their performance.

It is expected that once the Company 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 companies. Individual and corporate performance will also be taken into account in determining base salary levels.

Option Based Awards

Another component of Named Executive Officer compensation is the grant of stock options pursuant to the Company'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 Company, including its directors, Named Executive Officers and employees and to advance the interest of the Company by providing such persons with additional compensation and the opportunity to participate in the success of the Company.

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 Company, or companies they control for the provision of management or consulting services. Such services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Named Executive Officers' Compensation

During the financial years ended September 30, 2019 and September 30, 2018, the Company had two individuals who were Named Executive Officers, namely (i) Alistair Waddell, who was appointed the Chief Executive Officer and President of the Company on May 9, 2018 and (ii) Alain Voisin, who was appointed Chief Financial Officer of the Company on May 9, 2018.

During the financial period from Incorporation on May 9, 2017 to September 30, 2017, the Company did not have any Named Executive Officers.

The following table sets forth all annual and long-term compensation for services paid to or earned by the Company's Named Executive Officers and directors, excluding compensation securities, since the date of incorporation on May 9, 2017:

Table of compensation excluding compensation securities							
Name and position	**Year**	**Salary, consulting fee, retainer, commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compen-sation ($)**	**Total compen-sation ($)**
Alistair Waddell[1]	2019	180,000	nil	nil	nil	486	180,486
CEO, President, Director	2018	120,000	nil	nil	nil	nil	120,000
& Director of Subs	2017	nil	nil	nil	nil	nil	nil
Alain Voisin[2]	2019	32,500	nil	nil	nil	972	33,472
CFO	2018	10,000	nil	nil	nil	nil	10,000
	2017	nil	nil	nil	nil	nil	nil
Cecil R. Bond[3]	2019	nil	nil	nil	nil	nil	nil
Director	2018	nil	nil	nil	nil	nil	nil
	2017	nil	nil	nil	nil	nil	nil
Tero Kosonen[4]	2019	nil	nil	nil	nil	nil	nil
Director & Director of	2018	nil	nil	nil	nil	nil	nil
Subsidiaries	2017	nil	nil	nil	nil	nil	nil
Stuart Smith[5]	2019	nil	nil	nil	nil	nil	nil
Director	2018	nil	nil	nil	nil	nil	nil
	2017	nil	nil	nil	nil	nil	nil

Wendell Zerb[6] Chairman & Director	2019 2018 2017	nil nil nil	nil nil nil	nil nil nil	nil nil nil	nil nil nil	nil nil nil
Carl Swensson[7] VP Exploration & Director of Subsidiaries	2019 2018 2017	90,000 25,000 nil	nil nil nil	nil nil nil	nil nil nil	nil 3,750 nil	90,000 28,750 nil
Emma Fairhurst[8] Former President & Director Former Director of Subs	2019 2018 2017	8,400 15,000 nil	nil nil nil	nil nil nil	nil nil nil	nil nil nil	8,400 15,000 nil

1. Alistair Waddell was appointed a director on February 1, 2018 and Chief Executive Officer and President on May 9, 2018. He was appointed a director of Australian Consolidated Gold Holdings Pty Ltd and ACGH II Pty Ltd on August 8, 2019 and a director of Romardo Copper (NSW) Pty Ltd on February 11, 2020.
2. Alain Voisin was appointed Chief Financial Officer on May 9, 2018.
3. Cecil R. Bond was appointed a director on March 20, 2019.
4. Tero Kosonen was appointed a director on March 20, 2019. He was appointed a director of Australian Consolidated Gold Holdings Pty Ltd and ACGH II Pty Ltd on August 8, 2019 and a director of Romardo Copper (NSW) Pty Ltd on February 11, 2020.
5. Stuart Smith was appointed a director on March 20, 2019.
6. Wendell Zerb was appointed a director on March 20, 2019 and Chairman on December 10, 2019.
7. Carl Swensson was appointed Vice President of Exploration on February 1, 2018. He was appointed a director of Australian Consolidated Gold Holdings Pty Ltd on June 23, 2017, a director of ACGH II Pty Ltd on January 8, 2018, and a director of Romardo Copper (NSW) Pty Ltd on February 11, 2020.
8. Emma Fairhurst was appointed President and a director on May 9, 2017. She resigned as President on May 9, 2018 and resigned as a director on March 20, 2019. She was appointed a director of Australian Consolidated Gold Holdings Pty Ltd on June 23, 2017, a director of ACGH II Pty Ltd on January 8, 2018, and resigned as a director from both subsidiaries on August 8, 2019.

Outstanding Share-Based Awards and Option-Based Awards

The Company has a stock option plan in place. During the financial period from Incorporation on May 9, 2017 to December 31, 2017 and the financial year ended September 30, 2018, there were no options granted to Named Executive Officers or directors of the Company. During the financial year ended September 30, 2019, a total of 1,910,000 options were granted to Named Executive Officers and directors of the Company.

For a description of the Company's Stock Option Plan, see "*Options and Other Rights to Purchase Securities of the Company – Summary of Stock Option Plan*" above. The following table discloses all compensation securities granted or issued to each Named Executive Officer and director by the Company in the financial year ended September 30, 2019:

Compensation Securities							
Name and position	**Type of compen-sation security**	**Number of compensation securities, number of underlying securities, and percentage of class**	**Date of issue or grant m/d/y**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date m/d/y**
Alistair Waddell CEO, President & Director and Director of Subsidiaries	stock options	285,000	03/21/19	$0.20	n/a	n/a	03/21/24
Alain Voisin CFO	stock options	100,000	03/21/19	$0.20	n/a	n/a	03/21/24
Cecil R. Bond Director	stock options	285,000	03/21/19	$0.20	n/a	n/a	03/21/24
Tero Kosonen Director and Director of Subsidiaries	stock options	285,000	03/21/19	$0.20	n/a	n/a	03/21/24
Stuart Smith Director	stock options	285,000	03/21/19	$0.20	n/a	n/a	03/21/24
Wendell Zerb Chairman & Director	stock options	285,000	03/21/19	$0.20	n/a	n/a	03/21/24
Carl Swensson VP Exploration and Director of Subsidiaries	stock options	285,000	03/21/19	$0.20	n/a	n/a	03/21/24
Emma Fairhurst Former President & Former Director and Former Director of Subsidiaries	stock options	100,000	03/21/19	$0.20	n/a	n/a	03/21/24

The Company does not provide any retirement benefits for its directors or officers; nor does it have any long-term incentive plans.

Management and Consulting Agreements

Of the Company's Named Executive Officers, Alistair Waddell was an independent contractor from February 1, 2018 to December 31, 2019 and became an employee of the Company effective January 1, 2020, and Alain Voisin is an independent contractor of the Company.

The Company has executed a management agreement (the "Agreement") with Alistair Waddell (the "Executive") for his services as Chief Executive Officer and President effective January 1, 2020 for no fixed term. As compensation for the services to be provided, the Executive will receive a monthly salary of $16,500 (the "Monthly Compensation"). The Agreement may be terminated (i) by resignation by the Executive with two months advance written notice; (ii) by termination without cause by the Company at any time, with payment of severance equal to six months Monthly Compensation; (iii) by resignation by the Executive with two weeks written notice for "Good Cause," defined as various events or circumstances which would constitute a constructive dismissal at common law, with payment of severance equal to three months Monthly Compensation; and (iv) by termination for just cause by the Company at any time, in any such event no severance is payable. If within 12 months following a change of control of the Company, (i) the Executive's employment is terminated by the Company without cause; or (ii) the Executive resigns with or without Good Cause, then in either case, he will receive as severance an amount equal to 24 months Monthly Compensation.

The Company has executed a consulting agreement with Swensson Integrated Resource Management (the "Consultant"), a private company beneficially owned by Carl Swensson, effective January 1, 2020 for a two-year term. As compensation for the services to be provided, the Consultant will receive a monthly fee of AUD$16,500 (the "Monthly Compensation"). The Agreement may be terminated (i) by resignation by the Consultant with two months advance written notice; (ii) by termination without cause by the Company at any time, with payment of severance equal to four months Monthly Compensation; (iii) by resignation by the Executive with two weeks written notice for "Good Cause," defined as various events or circumstances which would constitute a constructive dismissal at common law, with payment of severance equal to three months Monthly Compensation; and (iv) by termination for just cause by the Company at any time, in any such event no severance is payable. If within 12 months following a change of control of the Company, (i) the Executive's employment is terminated by the Company without cause; or (ii) the Executive resigns with or without Good Cause, then in either case, he will receive as severance an amount equal to 24 months Monthly Compensation.

The Company has executed a services agreement with Cariboo Sky Consulting Ltd., a private company beneficially owned by Alain Voisin, effective May 9, 2018 for no fixed term, in which Mr. Voisin will provide Chief Financial Officer services to the Company at industry standard rates.

The Company has executed a services agreement with Sandra Wong, the Corporate Secretary, effective March 20, 2019 for no fixed term, in which Ms. Wong will serve as Corporate Secretary of the Company for consideration at industry standard rates.

As of the date of this Prospectus, the Company has not executed any other employment, consulting or management agreement with any of its directors or Named Executive Officers.

Termination of Employment, Change of Control Benefits and Employment Contracts

Except as disclosed under "Management and Consulting Agreements", no benefits will accrue to any of the Company's Named Executive Officers, officers, employees or directors upon their termination, or upon any change of control of the Company.

Proposed Compensation

During the next 12 months, the Company proposes to pay the following compensation to its Named Executive Officers and directors, in addition to their entitlement to receive (i) incentive stock options pursuant to the Company's Stock Option Plan in such individual amounts as the board of directors may determine from time to time, and (ii) reimbursement for out-of-pocket expenses incurred on behalf of or in providing services as a director for the Company.

Name and Principal Position	Salary	All Other Compensation	Total Compensation
Alistair Waddell *CEO, President and Director*	$198,000	Nil	$198,000
Alain Voisin *CFO*	$30,000	Nil	$30,000
Wendell Zerb *Chairman and Director*	Nil	Nil	Nil
Cecil R. Bond *Director*	Nil	Nil	Nil
Tero Kosonen *Director*	Nil	Nil	Nil
Stuart Smith *Director*	Nil	Nil	Nil
Carl Swensson *VP Exploration and Director of Subsidiaries*	AUD$198,000	Nil	AUD$198,000

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No existing or proposed director, executive officer or senior officer of the Company or any associate of any of them, was indebted to the Company as at September 30, 2019, or is currently indebted to the Company at the date of this Prospectus.

AUDIT COMMITTEE

Pursuant to National Instrument 52-110 *Audit Committees* ("NI 52-110"), the Company is required to have an Audit Committee comprised of at least three directors, the majority of whom must not be officers or employees of the Company. The Audit Committee must operate pursuant to the provisions of and have a written charter, which sets out its duties and responsibilities. The following is a summary of such charter:

Audit Committee Charter

The full text of the Audit Committee's charter is attached as Schedule "C" to this Prospectus.

Mandate and Responsibilities of the Audit Committee

The Audit Committee's mandate and responsibilities include: (i) reviewing and recommending for approval to the Board the financial statements, accounting policies that affect the statements, annual MD&A and associated press releases; (ii) 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 and periodically assessing those procedures; (iii) establishing and maintaining complaint procedures regarding accounting, internal accounting controls, or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; (iv) overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing such other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting; (v) pre-approving all non-audit services to be provided to the Company or its subsidiary entities by the external auditor; (vi) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company; and (vii) reviewing and approving the Company's hiring policies regarding partners, employees, and former partners and employees of the external auditor of the Company.

The Audit Committee is to meet at least quarterly to review financial statements and MD&A and to meet with the Company's external auditors at least once a year.

Composition of the Audit Committee

The Audit Committee is presently comprised of Cecil R. Bond (Chair), Stuart Smith and Wendell Zerb. As defined in National Instrument 52-110, Mr. Zerb is not "independent", as he is the Chairman of the Company. Messrs. Bond and Smith are independent directors within the meaning of NI 52-110. The Company is exempt from the Audit Committee composition requirements in NI 52-110 which require all Audit Committee members to be independent. All of the Audit Committee members are "financially literate", as defined in National Instrument 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting. The members of the Audit Committee are elected by the Board of Directors at its first meeting following each annual shareholders' meeting to serve one-year terms and are permitted to serve an unlimited number of consecutive terms.

Relevant Education and Experience

Each member of the Company'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 Company 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 Company's financial statements or experience actively supervising individuals engaged in such activities; and

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

Cecil R. Bond: Mr. Bond is a Chartered Professional Accountant (CPA, CA). He is a director and officer of several public companies, in addition to serving as a member of the audit committee of several reporting issuers, and is familiar with the financial reporting requirements applicable to public companies in Canada.

Stuart Smith: Dr. Smith holds a PhD in Economic Geology. He has 30 years of global experience with mineral exploration and mining development companies and is familiar with the financial reporting requirements applicable to public companies in Canada.

Wendell Zerb: Mr. Zerb is a professional geologist with over 30 years experience, including 17 years in financial analysis of public companies. He has also served in executive management roles, as a director, and officer of a public company. He is familiar with the financial reporting requirements applicable to public companies in Canada.

For the education and experience of each member of the Audit Committee relevant to the performance of their duties as a member of the Audit Committee, see "*Directors and Executive Officers*" and *"Management of the Company"*.

Audit Committee Oversight

The Audit Committee was established on March 10, 2019 and will, among other things, make recommendations to the Board of Directors to nominate or compensate an external auditor. The Audit Committee has recommended that Dale Matheson Carr-Hilton Labonte LLP ("DMCL"), Chartered Professional Accountants, be appointed as the auditors of the Company for the ensuing year, and such appointment and the authorization of the directors to determine the remuneration to be paid to the auditors was approved by the shareholders of the Company at the Company's Annual General Meeting held on December 10, 2019.

Reliance on Certain Exemptions

The Company is a "venture issuer" as defined in NI 52-110 and is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110

Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

External Auditor Service Fees (By Category)

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditor in the financial years ended September 30, 2019 and September 30, 2018 and the period from Incorporation on May 9, 2017 to September 30, 2017 with respect to the Company, by category, are as follows:

Financial Year Ended September 30	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
September 30, 2019	$28,000	nil	nil	nil
September 30, 2018	$38,000	nil	nil	nil
September 30, 2017	nil	nil	nil	nil

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with day-to-day management of the Company. National Instrument 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines to be used by issuers in developing their own corporate governance practices. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

In accordance with National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") the Company's corporate governance practices are summarized below. The Board of Directors will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

Board of Directors

The Company's Board of Directors (the "Board") is currently composed of five directors – Alistair Waddell, Wendell Zerb, Tero Kosonen, Stuart Smith and Cecil R. Bond. The Board facilitates its exercise of independent supervision over management by ensuring sufficient representation by directors independent of management.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, NI 58-101 suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder. The independent directors would exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary. Each of Cecil R. Bond and Stuart Smith can be considered to be "independent" within the meaning of NI 58-101. Alistair Waddell, by reason of being CEO and President of the Company and a shareholder of Ore Capital Partners Ltd., the Company's controlling shareholder, Wendell Zerb, by reason of being Chairman of the Company, and Tero Kosonen by reason of being a director and shareholder of Ore Capital Partners Ltd., the Company's controlling shareholder, cannot be considered to be "independent" within the meaning of NI 58-101.

The independent directors will meet separately from the non-independent directors, as determined necessary from time to time, in order to facilitate open and candid discussion among the independent directors. No separate meetings of the independent directors have been held to date. Wendell Zerb acts as the chairman with respect to the conduct of Board meetings. Given the Company's relatively small size and start-up nature, the Board is satisfied as to the extent of independence of its members. The Board is satisfied that it is not constrained in its access to information, in its deliberations, or in its ability to satisfy the mandate established by law to supervise the business and affairs of the Company, and that there are sufficient systems and procedures in place to allow the Board to have a reasonable degree of independence from day-to-day management.

Since the Company's incorporation on May 9, 2017 until the date of this Prospectus, the Board has held formal Board meetings and the directors have also approved various matters by consent resolutions.

Board Mandate

The Board does not presently have a written mandate describing how the Board delineates its role and responsibilities. The size of the Company is such that all of its operations are conducted by a small management team which is also represented on the Board. The Board considers that management is effectively supervised by the independent directors on an informal basis as the independent directors have regular and full access to management. Further supervision is performed through the Company's Audit Committee which is composed of a majority of independent directors who meet with the Company's auditors without management being in attendance.

Position Descriptions

The Board has not developed written position descriptions for the chairman with respect to the conduct of Board meetings, or for the chair of any committees. The chairman's role and responsibilities in each instance include reviewing notices of meetings, overseeing meeting agendas, conducting and chairing meetings in accordance with good practices, and reviewing minutes of meetings.

The duties and responsibilities for the Company's CEO are described in his employment contract. The CEO's general roles and responsibilities are commensurate with the position of CEO of a resource company comparable in size to the Company include overseeing all operations of the Company, and developing and devising the means to implement general strategies for the direction and growth of the Company as instructed by the Board.

Other Reporting Issuer Experience

The following table sets out the directors of the Company who are currently directors of other reporting issuers in any Canadian or foreign jurisdiction:

Name	Reporting Issuer	Exchange or Market and Trading Symbol
Cecil R. Bond	Colorado Resources Ltd. Rugby Mining Limited	TSX.V: CXO TSX.V: RUG
Stuart Smith	Riley Resources Corp. Vizsla Resources Corp.	TSX.V: RLYP TSX.V: VZLA
Alistair Waddell	Palamina Corp. Precipitate Gold Corp. Spey Resources Corp. Winshear Gold Corp.	TSX.V: PA TSX.V: PRG CSE: SPEY TSX.V: WINS

Orientation and Continuing Education

Each new director is given an outline of the nature of the Company's business, its corporate strategy, and current issues within the Company. New directors are encouraged to review the Company's public disclosure records and are also required to meet with management of the Company to discuss and better understand the Company's business and are given the opportunity to meet with counsel to the Company to discuss their legal obligations as directors of the Company.

In addition, management of the Company will take steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers and committee members of the Company as a whole. The Company's legal counsel continually reviews the latest securities rules and policies and is on the mailing list of the Exchange to receive updates to any of those policies. Any such changes or new requirements are then brought to the attention of the Company's directors and management.

Ethical Business Conduct

The Board has not established a Corporate Governance Committee, but plans do so in the future. As some of the Company's directors also serve as directors and officers of other companies engaged in similar business activities, the directors must comply with the conflict of interest provisions of applicable corporate law, as well as the relevant securities regulatory instruments, in order to ensure that they exercise independent judgment in considering transactions and agreements in respect of which they may have a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke any such conflict.

Nomination of Directors

The Company's management is continually in contact with individuals involved with public sector issuers. From these sources, management has made numerous contacts and, in the event, that the Company requires any new directors, such individuals will be brought to the attention of the Board of Directors. The Company conducts due diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, integrity of character and a willingness to serve.

Compensation

The entire Board of Directors acts as a de facto Compensation Committee to monitor and review the salary and benefits of its executive officers. The Board will periodically review the Company's general compensation structure, policies and programs in consideration of industry standards and the Company's financial situation until a Compensation Committee is formed.

Other Board Committees

At present, the only committee the Company has is an Audit Committee. The Company may create other committees in the future.

Assessments

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

PLAN OF DISTRIBUTION

Agency Agreement

Pursuant to the Agency Agreement, the Company has appointed the Agent to act on its behalf to conduct the Offering in the Selling Provinces, on a commercially reasonable efforts basis, to offer for distribution a maximum 14,000,000 Units to raise maximum gross proceeds of $3,500,000. The Offering is subject to receiving minimum subscriptions for 8,000,000 Units for minimum gross proceeds of $2,000,000.

The Agent may enter into selling arrangements with other investment dealers and offer selling group participation at no additional cost to the Company. The Agent will be paid or issued the following consideration under the Agency Agreement:

(i) the Agent's Commission calculated as 8% of gross proceeds from the sale of Units to purchasers, payable in cash;

(ii) the Compensation Options calculated as 8% of the number of Units sold to purchasers;

(iii) the Corporate Finance Fee of $25,000 plus GST (payable in cash); and

(iv) reimbursement of its legal fees and expenses.

This Prospectus qualifies for distribution in the Selling Provinces, the Units, the Unit Shares, the Warrants, and the Compensation Options.

Pursuant to the Agency Agreement, the Company agrees that it will not issue, announce any issue or agree to issue any securities of the Company, other than issuances (i) under existing director, employee or consultant stock option, bonus or purchase plans or similar share compensation agreements in place prior to the Closing Date (ii) under stock option plans approved by the CSE as part of the listing process; (iii) upon the exercise of convertible securities, warrants or options outstanding on the Closing Date; or (iv) previously scheduled property payments and/or other corporate acquisitions, for a period ending 90 days after the Closing Date without the written agreement of the Agent, such agreement not to be unreasonably withheld.

The Company's officers and directors have agreed, not to sell, or agree to sell, or announce any intention to do so, any Shares or securities exchangeable or convertible into Shares of the Company prior to Closing and for a period of 90 days from the Closing Date without the prior written consent of the Agent, such consent not to be unreasonably withheld.

Employees of the Agent currently hold 800,000 Shares of the Company.

The Agent has agreed to assist with the Offering on a commercially reasonable efforts basis and is not obligated to purchase any of the Units for its own accounts. Closing will take place on a day, determined by the Agent in consultation with the Company, which will be no later than 90 days from the Effective Date, or such other date as may be permitted by the Securities Commissions.

The Agency Agreement provides that the obligations of the Agent thereunder may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated upon the occurrence of certain stated events.

Subscriptions will be received for the Units offered hereby subject to rejection or acceptance by the Company in whole or in part, and the Agent reserves the right to close the subscription books at any time provided the Agent has received subscriptions in aggregate equal to the Minimum Offering. Upon rejection of a subscription, the subscription price and the subscription will be returned to the subscriber forthwith without interest or deduction.

It is expected that one or more global certificates evidencing the Unit Shares and the Unit Warrants distributed under this Prospectus will be issued in registered form to CDS and will be deposited with CDS on the Closing Date, except as otherwise required by applicable securities laws, including the U.S. Securities Act. No certificate evidencing the Unit Shares or the Unit Warrants will be issued to purchasers and registration will be made in the depository service of CDS, except as may be required by applicable securities laws. Except as set forth above, purchasers of the Units will receive only a customer confirmation from the Agent or other registered dealer who is a CDS Participant and from or through whom a beneficial interest in the Units is purchased.

None of the Units, Unit Shares, Unit Warrants or Warrant Shares have been or will be registered under the U.S. Securities Act or any state securities regulations. Accordingly, the Units may not be issued in the United States or to, or for the benefit of any U.S. Person (as defined in Rule 902(k) of the U.S. Securities Act) or a person in the United States unless exemptions are available from the registration requirements of the U.S. Securities Act and applicable state securities laws. Any Unit Shares and the Unit Warrants issued in the United States or to, or for the benefit of any U.S. Person or person in the United States, are deemed to be "*restricted securities*", as defined in Rule 144 of the U.S. Securities Act, and will be issued in compliance with applicable securities laws, which may require issuance of such securities in certificated form.

All subscription funds will be held in trust by the Agent until the Offering is realized, or the Offering is otherwise closed. If the Offering is not completed within the term of the Agency Agreement or the time required by the rules of the Securities Commissions, the subscription price and the subscriptions will be returned to the subscribers forthwith without interest or deduction.

There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering other than the payments to be made to the Agent in accordance with the terms of the Agency Agreement.

The Company's directors, officers and other insiders may purchase Units from the Offering.

The price of the Units under this Prospectus was determined by negotiation between the Company and the Agent and bears no relationship to earnings, book value or other valuation criteria.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, have not applied to list or quote any of its securities, and does not intend to apply to list or quote any of our securities, on the Toronto Stock Exchange, 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.

Listing of Common Shares

The Company has applied to list its Shares on the CSE. Listing will be subject to the Company fulfilling all the listing requirements of the CSE. Confirmation of listing is a condition of Closing.

RISK FACTORS

An investment in the securities offered hereunder should be considered highly speculative due to the nature of the Company's business and the present stage of development. An investment in the securities should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the loss of their entire investment. Prospective investors should consult with their professional advisors to assess an investment in the Company. In evaluating the Company and its business, investors should carefully consider, in addition to the other information contained in this Prospectus, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with our operations.

Risks Related to the Offering and Holding of Shares

High Risk, Speculative Nature of Investment

An investment in the Shares carries a high degree of risk and should be considered speculative by purchasers. The Company has no history of earnings, has limited cash reserves, a limited business history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future. The Company is in the "start-up" phase of its business. Its operations are not sufficiently established such that it can mitigate the risks associated with its planned activities.

Dilution and Shareholdings

The Offering Price significantly exceeds the net tangible book value of the Shares. Accordingly, investors will suffer immediate and substantial dilution of their investment. Assuming there will be 51,163,184 Shares outstanding on the Listing Date under the Minimum Offering, those Shares acquired at $0.25 per Unit under the Offering will have a value, based on an average sale price per Share of the Company as of the Listing Date of approximately $0.12 per Share, representing a dilution of approximately 51.9%. Assuming there will be 57,163,184 Shares outstanding on the Listing Date under the Maximum Offering, those Shares acquired at $0.25 per Unit under the Offering will have a value, based on an average sale price per Share of the Company as of the Listing Date of approximately $0.134 per Share, representing a dilution of approximately 46.5%. Insiders acquired an aggregate of 3,300,000 Shares at $0.005; 15,895,000 Shares at $0.031 per Share; 550,000 Shares at $0.10 per Share; 302,500 Shares at $0.20 per Share; and 1,015,000 Shares at $0.22 per Share. Accordingly, purchasers under the Offering may suffer substantial dilution of their equity interest in the Company even prior to taking into account additional financing that the Company may require.

No Established Market

There is currently no market through which our securities may be sold and purchasers may not be able to resell the Shares purchased under this Prospectus. Even if a market develops, there is no assurance that the price of the Units offered under this Prospectus, which was determined through negotiations between the Company and the Agent, will reflect the market price of the Shares once a market has developed.

Liquidity Concerns and Future Financing Requirements

The Company has no source of operating revenue. It is likely the Company will operate at a loss until it is able to put a mineral property into production. The Company may require additional financing in order to fund its businesses or business expansion. The Company's ability to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as its business success. There can be no assurance that it will be successful in its efforts to arrange additional financing on terms satisfactory to the Company, or at all. If additional financing is raised by the issuance of Shares from treasury, control of the Company may change, and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to operate its businesses at their maximum potential, to expand, to take advantage of other opportunities, or otherwise remain in business.

Volatility of Share Price

As it is anticipated that the Company's Shares will be listed on the Exchange, factors such as announcements of quarterly variations in operating results, revenues, costs, as well as market conditions in the mineral exploration industry may have a significant impact on the market price of its Shares. Global stock markets and the Exchange in particular have, from time to time, experienced extreme price and volume fluctuations, which have often been unrelated to the operations of particular companies. There is uncertainty concerning the extent to which the Coronavirus pandemic will disrupt financial markets and the world economy. Share prices for many companies in the mineral exploration industry have experienced wide fluctuations that have been often unrelated to the operations of the companies themselves. In addition, there can be no assurance that an active trading or liquid market will develop or be sustained for the Company's Shares.

Uncertainty of Use of Proceeds

Although the Company has set out its intended use of proceeds from this Offering, the same are estimates only and subject to change. While management does not contemplate any material variation, management does retain broad discretion in the application of such proceeds. See "*Note Regarding Forward-looking Statements*" for more details.

Prospect of Dividends

The Company does not anticipate that any dividends will be paid on its Shares in the foreseeable future.

Increased Costs of Being a Publicly-Traded Company

As a company with publicly-traded securities, the Company will incur significant legal, accounting and filing fees not presently incurred. Securities legislation and the rules and policies of the Exchange require the Company to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information, all of which will significantly increase its legal and financial compliance costs.

Pandemic Risk

The outbreak and spread of infectious diseases may have significant human, political, and economic consequences around the world, which full impact are difficult to determine. Their wide-ranging effects include financial market volatility, interest rate cuts, disrupted movement of people and goods, and diminished consumer confidence. The effects may be difficult to assess or predict with meaningful precision both generally and as an industry- or issuer-specific basis. This is an uncertain issue where actual effects will depend on many factors beyond the control and knowledge of the Company.

<u>Risks Related to the Company's Business</u>

Commitments Pursuant to the Northern NSW Romardo Project

The Company holds 100% interest in the Property but is subject to certain royalties, payments and success fees as described under "*Description of the Company's Business*". As such there is the risk that the Company (i) will be unable to meet those financial commitments due to lack of funds; or (ii) will otherwise be in breach of the Property Agreements; which in each case could result in an impairment of the Company's collaborative relationship with the Vendors and may have a material adverse effect on the Company's business.

Commitments Pursuant to the AI Project

The Company has acquired five exploration licences using the proprietary data under licence from the Licensor of the AI Project, but the Company has not designated any Project Areas and made the associated payments, and as such there is the risk that the Company (i) will be unable to designate any Project Areas due to lack of funds; (ii) will be unwilling to designate any Project Areas if to do so would be considered not in the best interests of the Company at that time; or (iii) will otherwise be in breach of the Exploration Alliance Agreement; which in each case could result in the complete loss of any interest in the Project. Failure to designate any Project Areas would result in the impairment to the fair value of the property.

Option to Acquire the Carron Project

The Company owns a 50% participating interest in the Carron Project at this time, with an option to acquire up to 100% participating interest. As such there is the risk that the Company (i) will be unable to earn additional interest in the Carron Project due to lack of funds; (ii) will be unwilling to further exercise the option if to do so would be considered not in the best interests of the Company at that time; or (iii) will otherwise be in breach of the Exploration Farm-In Agreement; which in each case could result in a halt to the advancement of the Carron Project and may cause an impairment to the fair value of the property.

Fluctuating Mineral Prices

The mining industry is heavily dependent upon the market price of the metals or minerals being mined or explored. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for their sale. There can be no assurance that mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond the Company's control may affect the marketability of any minerals discovered. The prices of base and precious metals have experienced volatile and significant price movements over short periods of time and are affected by numerous factors beyond the Company's control. The market price of metals and minerals is volatile and cannot be controlled by the Company. Metal prices have fluctuated widely, particularly in recent years. If the price of gold should drop significantly, the economic prospects for the Project could be significantly reduced or rendered uneconomic. There is no assurance that, a profitable market may exist for the sale of products, including concentrates from the Project. Factors beyond the control of the Company may affect the marketability of minerals or concentrates produced, including quality issues, impurities, deleterious elements, government regulations, royalties, allowable production and regulations regarding the importing and exporting of minerals, the effect of which cannot be accurately predicted.

Fluctuations in the prices of base and precious metal prices may adversely affect the Company's financial performance and results of operations. Further, if the market price of applicable metals falls or remains depressed, the Company may experience losses or asset write-downs and may curtail or suspend some or all of its exploration, development and mining activities.

Exploration and Development

The Property is in the exploration stage and is without a known body of commercial ore and requires extensive expenditures during this exploration stage. See "Description of Mineral Property". Mineral exploration and development involve a high degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to mitigate. The vast majority of properties which are explored are not ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

The Company only controls a portion of the surface rights over the claims which comprise the Property. In the event that a significant mineralized zone is identified, detailed environmental impact studies will need to be completed prior to initiation of any advanced exploration or mining activities. There is no guarantee that areas for potential mine waste disposal, heap leach pads, or areas for processing plants will be available within the Property or on the currently controlled surface rights.

Estimates of Mineral Deposits

There is no assurance given by the Company that any estimates of mineral deposits or resources will materialize.

No assurance can be given that any identified mineralisation will be developed into a coherent mineralisation deposit, or that such deposit will even qualify as a commercially viable and mineable ore body that can be legally and economically exploited. Estimates regarding mineralized deposits can also be affected by many factors such as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grades and tonnages of ore ultimately mined may differ from that indicated by drilling results and other exploration and development work. There can be no assurance that test work and results conducted and recovered in small-scale laboratory tests will be duplicated in large-scale tests under on-site conditions. Material changes in mineralized tonnages, grades, dilution and stripping ratios or recovery rates may affect the economic viability of projects. The existence of mineralisation or mineralized deposits should not be interpreted as assurances of the future delineation of ore reserves or the profitability of any future operations.

Substantial Capital Expenditures Required

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The discovery of mineral deposits is dependent upon a number of factors. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which relate to particular attributes of the deposit, such as size, grade and proximity to infrastructure, and some of which are more general factors such as metal prices and government regulations, including environmental protection. Most of these factors are beyond our control. In addition, because of these risks, there is no certainty that the expenditures to be made by us on the exploration of the Company's Property as described herein will result in the discovery of commercial quantities of ore.

Management Experience and Dependence on Key Personnel and Employees

The Company's success is currently largely dependent on the performance of its directors and officers. The Company's management team has experience in the resource exploration business. The experience of these individuals is a factor which will contribute to the Company's continued success and growth. The Company will initially be relying on its board members, as well as independent consultants, for certain aspects of our business. The amount of time and expertise expended on its affairs by each of its management team and directors will vary according to the Company's needs. The Company does not intend to acquire any key man insurance policies and there is, therefore, a risk that the death or departure of any member of management, the board, or any key employee or consultant, could have a material adverse effect on the Company's future. Investors who are not prepared to rely on the Company's management team should not invest in its securities.

Future Acquisitions

As part of the Company's business strategy, it may seek to grow by acquiring companies and/or assets or establishing joint ventures that it believes will complement its current or future business. The Company may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for its business. It cannot guarantee that it can complete any acquisition it pursues on favourable terms, or that any acquisitions completed will ultimately benefit its business.

Uncertainty of Additional Funding

With the net proceeds from the Offering, the Company will have sufficient financial resources to undertake the work program on the Property recommended in the Report. Upon the successful completion of this work, the Company may not have sufficient financial resources to complete further work. There is no assurance that the Company will be successful in obtaining the required financing or that such financing will be available on terms acceptable to it. Any future financing may also be dilutive to the Company's existing shareholders.

Negative Cash Flow

The Company has a limited history of operations, and no history of earnings, cash flow or profitability. The Company has had negative operating cash flow since its date of incorporation, and will continue to have negative operating cash flow for the foreseeable future. The Property is at the intermediate exploration stage only. The Company has no source of operating cash flow and no assurance that additional funding will be available for further exploration and development of the Property when required. No assurance can be given that the Company will ever attain positive cash flow or profitability.

Reliability of Historical Information

The Company has relied on, and the disclosure from the Report set out under "Description of Mineral Property" above, is based, in part, upon historical data compiled by previous parties involved with the Property. To the extent that any of such historical data is inaccurate or incomplete, the Company's exploration plans may be adversely affected.

Operating Hazards and Risks

Mineral exploration and development involves risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in work stoppages, damage to or destruction of property, loss of life and environmental damage. The Company does not currently carry any liability insurance for such risks, electing instead to ensure its contractors have adequate insurance coverage. The nature of these risks is such that liabilities might exceed any insurance policy limits, the liabilities and hazards might not be insurable or the Company might not elect to insure itself against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect upon the Company's financial condition.

Competition

The mining industry is intensely and increasingly competitive, and the Company competes for exploration and exploitation properties with many companies possessing greater financial resources and technical facilities than it does. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration in the future.

Title Matters

While the Company has reviewed title to the claims comprising the Property and, to the best of its knowledge, such title is in good standing, there is no guarantee that title to such claims will not be challenged or impugned. The Property may be subject to prior unregistered agreements of transfer or aboriginal land claims, and title may be affected by undetected defects.

Aboriginal Claims

The Property may be subject to Aboriginal claims. Accordingly, there can be no guarantee that there will not be delays in project approval, unexpected interruptions in project progress, requirements for Aboriginal consent, cancellation of permits and licenses, or additional costs to advance the Company's projects. In order to facilitate further development, mine permitting and the commencement of mining activities, the Company may deem it necessary and prudent to obtain the cooperation and approval of Aboriginal communities situated in the area of the Property. Any cooperation and approval may be predicated on the Company's commitment to take measures to limit the adverse impacts on Aboriginal rights and ensuring that some of the economic benefits of the construction and mining activity will be enjoyed by Aboriginal communities situated in the area of the Property. There can be no guarantee that any of the Company's efforts to secure such cooperation or approval would be successful or that other assertions of Aboriginal rights and title, or claims of insufficient consultation or accommodation, will not create delays in project approval or unexpected interruptions in project progress, requirements for Aboriginal consent, cancellation of permits and licenses, or result in additional costs to advance.

Environmental Risks and Other Regulatory Requirements

The Company's current or future operations, including exploration or development activities and commencement of production on its properties require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which we may require for the construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any mining project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

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

Industry Regulation

The Company currently operates its business in a regulated industry. There can be no assurances that the Company may not be negatively affected by changes in the applicable legislation, or by any decisions or orders of any governmental or administrative body or applicable regulatory authority.

Uninsured or Uninsurable Risks

The Company may become subject to liability for cave-ins, pollution or other hazards against which it cannot insure or against which it may elect not to insure because of high premium costs or for other reasons. The payment of any such liabilities would reduce or eliminate the funds available for exploration and mining activities. Payments of liabilities for which the Company does not carry insurance may have a material adverse effect on its financial position.

Currency Risks

The Company's financial results are reported in Canadian dollars. The Company's exploration properties are located in Australia and the Company incurs most of its expenditures in Australian dollars. Any appreciation in the currency of Australia against the Canadian dollar will increase the Company's costs of carrying out operations and its ability to continue to finance its operations. Such fluctuations could have a material adverse effect on the Company's financial results.

General Business Risks

Conflicts of Interest

Certain of the Company's directors and officers are, and may continue to be, involved in the mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the Company's interests. Directors and officers of the Company with conflicts of interest will be subject to and must follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies. Notwithstanding this, there may be corporate opportunities which we are not able to procure due to a conflict of interest of one or more of its directors or officers.

Pandemics, Natural Disasters and Unforeseen Events

The outbreak of infectious disease or occurrence of pandemics, such as the recent outbreak of the novel coronavirus COVID-19; natural disasters; terrorist attacks; or other unanticipated events, such as cyberattacks, war, riot or civil unrest, fires or railway blockades, in any of the areas in which the Company, its customers or its suppliers operate could cause interruptions in the Company's operations. In addition, pandemics, natural disasters, Terrorism or other unforeseen events could negatively impact global supply chains, project development, operations, labour shortages, financial markets, the demand for, and price of, precious metals, and cause increase costs to the corporation, which could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

AS A RESULT OF THESE RISK FACTORS, THE OFFERING IS SUITABLE ONLY FOR THOSE PURCHASERS WHO ARE WILLING TO RELY ON THE MANAGEMENT OF THE COMPANY AND WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT IN THE UNITS.

ELIGIBILITY FOR INVESTMENT

In the opinion of Koffman Kalef LLP, tax counsel to the Company, based on the provisions of the Income Tax Act (Canada) and the regulations thereunder (collectively, the “Tax Act”) in force as of the date hereof and all proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, the Unit Shares, if issued on the date hereof, the Unit Warrants and the Warrant Shares will be qualified investments for a trust governed by a registered retirement savings plan (“RRSP”), a registered retirement income fund (“RRIF”), a registered education savings plan (“RESP”), a deferred profit sharing plan, a registered disability savings plan (“RDSP”) and a tax-free savings account (“TFSA”) as each of those terms is defined in the Tax Act provided that the Unit Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the Exchange) or is otherwise a “public corporation” within the meaning of the Tax Act and provided further that, with respect to the Unit Warrants and the Warrant Shares, the Company deals at arm’s length with each person that is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of such fund or plan, as the case may be.

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

Notwithstanding that the Unit Shares and Unit Warrants may be a qualified investment for a trust governed by an RRSP, RRIF, RESP, RDSP, or TFSA (each, a “Registered Plan”), the annuitant of an RRSP or RRIF, the subscriber under an RESP or the holder of a TFSA or RDSP, as the case may be, (the “Controlling Individual”) will be subject to a penalty tax in respect of Unit Shares or Unit Warrants held in the Registered Plan if the Unit Shares or Unit Warrants are a “prohibited investment” (as defined in the Tax Act) for the particular Registered Plan. The Unit Shares and Unit Warrants will be a “prohibited investment” for a Registered Plan if the Controlling Individual (i) does not deal at arm’s length with the Company for purposes of the Tax Act, or (ii) has a “significant interest” (as defined in subsection 207.01(4) of the Tax Act) in the Company. Generally, a Controlling Individual will not be considered to have a “significant interest” in the Company provided that the Controlling Individual, together with persons with whom the Controlling Individual does not deal at arm’s length, does not own, directly or indirectly, at any time in the year 10% or more of the issued shares of any class of the Company or of any corporation related to the Company (for purposes of the Tax Act). In addition, the Unit Shares and Unit Warrants will not be a “prohibited investment” if the Unit Shares and Unit Warrants are “excluded property” as defined in the Tax Act for a Registered Plan.

Purchasers of Units should consult their own advisors to ensure that the Unit Shares, Unit Warrants and Warrant Shares would not be a prohibited investment in their particular circumstances.

PROMOTERS

Alistair Waddell may be considered to be the Company's promoter, as that term is defined in the *Securities Act* (British Columbia). Information about Mr. Waddell is disclosed elsewhere in this Prospectus in connection with his roles as CEO, director and a founder of the Company. See "Directors and Executive Officers" and "Executive Compensation" for details.

Mr. Waddell holds (i) an aggregate of 2,800,000 Shares (5.47% assuming the Minimum Offering and 4.90% assuming the Maximum Offering) (acquired at $0.016 per Share); (ii) 100,000 Share Purchase Warrants (0.51% of class assuming the Minimum Offering and 0.44% of class assuming the Maximum Offering); and (iii) 635,000 options (15.91% of class) under the Plan.

Mr. Waddell further holds 14.30% interest in Ore Capital. Ore Capital holds (i) an aggregate of 14,750,001 Shares (28.83% assuming the Minimum Offering and 25.80% assuming the Maximum Offering) (acquired at $0.042 per Share); and (ii) 831,818 Share Purchase Warrants (4.27% of class assuming the Minimum Offering and 3.7% of class assuming the Maximum Offering).

Mr. Waddell will be entitled to receive additional stock options under the Plan. See "*Options and Other Rights to Purchase Securities of the Company*"; "*Directors and Executive Officers – Management of the Company; Cease Trade Orders, Bankruptcies, Penalties or Sanctions*"; and "*Interest of Management and Others in Material Transactions*" for disclosure regarding our promoters.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

There are no legal proceedings outstanding, threatened or pending, as of the date hereof, by or against us or to which the Company is a party or to which its business or any of its assets is subject, nor to its knowledge are any such legal proceedings contemplated which could become material to a purchaser of its securities.

Regulatory Actions

There have not been any penalties or sanctions imposed against the Company by a court relating to provincial or territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Company, and the Company has not entered into any settlement agreements before a court relating to provincial or territorial securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

For purposes of this Prospectus, "informed person" means:

(a) any director or executive officer of the Company;

(b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Company's outstanding Shares; and

(c) any associate or affiliate of any of the foregoing persons.

Other than as described in this Prospectus, no informed person has had any material interest, direct or indirect, in any material transaction with the Company since its incorporation.

RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT

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

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Company's auditor is Dale Matheson Carr-Hilton Labonte LLP ("DMCL"), Chartered Professional Accountants, of 1500 - 1140 West Pender Street, Vancouver, British Columbia, V6E 4G1.

The Company's registrar and transfer agent 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 Company, or which affect the Company, since incorporation on May 9, 2017:

(a) The Assignment Agreement between the Company and Ore Capital. See "*Description of the Company's Business – Significant Acquisitions and Dispositions*".

(b) The Farm-In Agreement, as amended on December 20, 2018 and as further amended on November 22, 2019, between the Company (as successor to Ore Capital and Oakland Gold Pty Ltd) and Australian Consolidated Venture Capital Pty Ltd. See "*Description of the Company's Business – Significant Acquisitions and Dispositions – The Carron Project*".

(c) The Alliance Agreement, as supplemented on April 1, 2018 and as settled on February 14, 2019, between the Company (as successor to Ore Capital) and BWG. See "*Description of the Company's Business – Significant Acquisitions and Dispositions – The AI Project*".

(d) The Binding Term Sheet between Ore Capital and the Vendors. See "*Description of the Company's Business – Significant Acquisitions and Dispositions – The Northern NSW Romardo Project*".

(e) The Superseding Agreement between the Company, Ore Capital and the Vendors. See "*Description of the Company's Business – Significant Acquisitions and Dispositions – The Northern NSW Romardo Project*".

(f) The Asset Purchase and Sale Agreement, as amended on November 22, 2019 and as further amended on December 31, 2019, between the Company and the Vendors. See "*Description of the Company's Business – Significant Acquisitions and Dispositions – Romardo Copper (NSW) Pty Ltd*".

(g) Consulting agreement dated January 1, 2020 between the Company and Swensson Integrated Resource Management. See "*Executive Compensation – Management and Consulting Agreements*".

(h) Agency Agreement dated **[●]**, 2020 between the Company and the Agent. See "*Plan of Distribution – Agency Agreement*".

(i) Transfer Agent and Registrar Agreement dated January 22, 2020 between the Company and National Securities Administrators Inc.

(j) Escrow Agreement dated **[●]**, 2020, between the Company, the Escrow Agent and certain shareholders of the Company. See "*Escrowed Shares*".

(k) Warrant Indenture dated **[●]**, 2020, between the Company and the Warrant Agent. See "*Description of Securities Distributed – Unit Warrants*".

A copy of any material contract and the Report may be inspected at the Company's registered office at Suite 1100 – 595 Howe Street, Vancouver, BC V6C 2T5, during normal business hours while distribution of the securities offered hereunder is in progress, and for a period of 30 days thereafter. The Report is also available for viewing on the SEDAR website (www.sedar.com).

EXPERTS

The Report on the Property was prepared by Derrick Strickland, P. Geo. Mr. Strickland does not have any interest in the Company, its Shares or the Property.

Koffman Kalef LLP, of Vancouver, British Columbia expressed an opinion herein regarding the eligibility of the Company's Shares for contribution to RRSPs and other similar trusts. See "Eligibility for Investment". The shareholders, associates and employees of Koffman Kalef LLP do not have any interest in the Company, its Shares or the Property.

The auditors' reports attached to the Company's audited financial statements for the years ended September 30, 2019 and September 30, 2018 and the period from Incorporation on May 9, 2017 to September 30, 2017, were issued by the Company's auditors Dale Matheson Carr-Hilton Labonte LLP ("DMCL"), in addition, they conducted a review of the unaudited financial statements for three months ended December 31, 2019. DMCL has advised the Company that they are independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

No other person whose profession or business gives authority to a statement made by such person and who is named in this Prospectus has received or will receive a direct or indirect interest in the Company, its Property or its securities. As at the date hereof, and except as disclosed above, none of the aforementioned persons beneficially owns, directly or indirectly, securities of the Company. In addition, none of the aforementioned persons nor any director, officer or employee of any of the aforementioned persons, is or is expected to be elected, appointed or employed as a director, senior officer or employee of the Company, or to act as a promoter of the Company.

AGENT FOR SERVICE OF PROCESS

Each of Mr. Stuart Smith, Mr. Tero Kosonen and Mr. Carl Swensson have appointed the Company's counsel, DuMoulin Black LLP, located at 595 Howe Street, 10th Floor, Vancouver, British Columbia, V6C 2T5, as their agent for service of process in British Columbia. It may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

OTHER MATERIAL FACTS

There are no further facts or particulars in respect of the securities being distributed pursuant to this Prospectus that are not already disclosed herein that are necessary to be disclosed for this Prospectus to contain full, true and plain disclosure of all material facts relating to such securities.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a Prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission, revision of the price, or damages if the Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. **The purchaser should refer to any applicable**

provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

In an offering of Units, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the Units are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the Units, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. **The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this right of action for damages or consult with a legal advisor.**

LIST OF EXEMPTIONS

The Company has not applied for or received any exemption from NI 41-101, regarding this Prospectus or the distribution of the Units under this Prospectus.

FINANCIAL STATEMENT DISCLOSURE

The Company's audited financial statements for the fiscal years ended September 30, 2019 and September 30, 2018 and the period from Incorporation on May 9, 2017 to September 30, 2017 and the unaudited financial statements for the three months ended December 31, 2019 are included herein as Schedule "A". The Company's fiscal year end is September 30.

SIGNIFICANT ACQUISITIONS

All of the Company's material acquisitions to date have been described above in this Prospectus. See "Description of the Company's Business" above for details.

Other than as described herein, the Company has not completed any acquisitions or dispositions since the Company's date of incorporation and is not currently in negotiations with respect to any potential material acquisitions or dispositions.

SCHEDULE "A"
Financial Statements of the Company
for the fiscal years ended September 30, 2019 and September 30, 2018, the period from Incorporation on May 9, 2017 to September 30, 2017 and the three month period ended December 31, 2019

[*See attached*]

INFLECTION RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

THREE MONTHS ENDED DECEMBER 31, 2019

Inflection Resources Ltd.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)

		December 31, 2019		September 30, 2019
ASSETS				
Current Assets				
Cash	$	1,204,623	$	455,290
Other receivables		34,619		29,699
Prepaid expenses and deposits		41,586		39,915
Total current assets		**1,280,828**		**524,904**
Non-current assets				
Refundable security deposits (Note 3)		173,318		155,649
Exploration and evaluation assets (Note 4)		2,078,827		1,965,136
TOTAL ASSETS	**$**	**3,532,973**	**$**	**2,645,689**
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (Note 6)	$	275,617	$	318,071
Total liabilities		**275,617**		**318,071**
SHAREHOLDERS' EQUITY				
Share capital (Note 5)		3,780,449		2,546,501
Share subscriptions received (Note 5)		77,000		280,200
Reserve (Note 5)		372,827		372,827
Deficit		(972,920)		(871,910)
Total shareholders' equity		**3,257,356**		**2,327,618**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**3,532,973**	**$**	**2,645,689**

Nature of operations and going concern – Note 1
Subsequent events – Note 8

APPROVED ON BEHALF OF THE BOARD ON MARCH 10, 2020:

"Alistair Waddell"	"Cecil Bond"
DIRECTOR	DIRECTOR

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

Inflection Resources Ltd.
Condensed Consolidated Interim Statements of Comprehensive Loss
(Expressed in Canadian dollars)

	For the three months ended December 31, 2019	For the three months ended December 31, 2018
Expenses		
Consulting fees (Note 6)	$ 49,500	$ 51,625
Investor communication	203	1,792
Office and miscellaneous	6,773	1,405
Professional fees	12,130	2,140
Salaries and benefits	3,871	-
Travel and meals	25,860	18,787
Total expenses	**(98,337)**	**(75,749)**
Other items		
Foreign exchange gain (loss)	(2,673)	122
Net loss and comprehensive loss	**$ (101,010)**	**$ (75,627)**
Loss per share – basic and diluted	**$ (0.00)**	**$ (0.00)**
Weighted average number of common shares outstanding – basic and diluted	**31,319,655**	**28,215,001**

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

Inflection Resources Ltd.
Condensed Consolidated Interim Statements of Changes in Equity
For the three months ended December 31, 2019
(Expressed in Canadian dollars)

	Number of Shares		Share Capital		Share Subscriptions Received		Reserve		Deficit		Total
Balance, September 30, 2018	28,215,001	$	1,725,001	$	-	$	-	$	(96,421)	$	1,628,580
Net loss for the period	-		-		-		-		(75,627)		(75,627)
Balance, December 31, 2018	**2,805,000**		**280,500**		**-**		**-**		**(172,048)**		**1,552,953**
Balance, September 30, 2019	31,130,001	$	2,546,501	$	280,200	$	372,827	$	(871,910)	$	2,327,618
Shares issued for private placements (Note 5)	5,768,638		1,269,100		(280,200)		-		-		988,900
Proceeds received for share subscriptions (Note 5)	-		-		77,000		-		-		77,000
Share issuance costs (Note 5)	-		(35,152)		-		-		-		(35,152)
Net loss for the period	-		-		-		-		(101,010)		(101,010)
Balance, December 31, 2019	**36,898,639**	**$**	**3,780,449**	**$**	**77,000**	**$**	**372,827**	**$**	**(972,920)**	**$**	**3,257,356**

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

Inflection Resources Ltd.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian dollars)

		For the three months ended December 31, 2019		For the three months ended December 31, 2018
Operating activities				
Net loss for the period	$	(101,010)	$	(75,627)
Changes in non-cash working capital items:				
Other receivables		(4,920)		(4,405)
Prepaid expenses and deposits		(1,671)		-
Accounts payable and accrued liabilities		(42,454)		109,777
Net cash flows provided by (used in) operating activities		**(150,055)**		**29,745**
Investing activities				
Payment of refundable security deposit		(17,669)		-
Additions to exploration and evaluation assets		(113,691)		(322,383)
Net cash flows used in investing activities		**(131,360)**		**(322,383)**
Financing activities				
Proceeds from private placements, net of share issuance costs		1,030,748		-
Net cash flows provided by financing activities		**1,030,748**		**-**
Change in cash		749,333		(292,638)
Cash, beginning of period		455,290		525,413
Cash, end of period	**$**	**1,204,623**	**$**	**232,775**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Inflection Resources Ltd. (the "Company") was incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia) on May 9, 2017 and its principal business activity is the exploration and evaluation of mineral properties located in New South Wales and Queensland, Australia. The Company's head office and registered and records office address is Suite 1100 – 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

The Company has two wholly-owned subsidiaries: Australian Consolidated Gold Holdings Pty Ltd and ACGH II Pty Ltd. The accounts of the subsidiaries are consolidated with the Company.

The business of mining exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead, pay its debts and liabilities, and maintain its exploration and evaluation assets. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets. The carrying value of the Company's exploration and evaluation assets may not reflect current or future values.

These unaudited condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at December 31, 2019, the Company has not yet achieved profitable operations, incurred a net loss of $101,010 (December 31, 2018 - $75,627) in the current period and has an accumulated deficit of $972,920 (September 30, 2019 - $871,910). The ability of the Company to continue as a going concern and meet its commitments as they become due, including exploration of its exploration and evaluation assets, is dependent on the Company's ability to obtain the necessary financing. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. If the going concern assumption was not appropriate for these financial statements, adjustments would be necessary in the carrying values of assets, liabilities, reported income and expenses and the statement of financial position classifications used. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of Compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including International Accounting Standards 34, *Interim Financial Reporting,* as issued by the International Accounting Standards Board ("IASB"). The accounting policies applied in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended September 30, 2019, except as noted below. These unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended September 30, 2019, which have been prepared in accordance with IFRS as issued by the IASB.

Critical accounting estimates and judgments

The preparation of these unaudited condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. The significant accounting judgements, estimates and assumptions in the preparation of these condensed consolidated interim financial statements are consistent with those applied and disclosed in Note 2 of the Company's audited financial statements as at and for the year ended September 30, 2019.

(Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

Foreign Currency Translation

The functional and presentation currency of the Company is the Canadian dollar. The individual financial statements of each subsidiary are presented in the currency of the primary economic environment in which the entity operates (its functional currency). Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange gains and losses on translation are included in profit and loss.

Consolidation

These unaudited condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned integrated subsidiaries, Australian Consolidated Gold Holdings Pty Ltd. and ACGH II Pty Ltd. All significant inter-company balances and transactions have been eliminated upon consolidation.

3. REFUNDABLE SECURITY DEPOSITS

As at December 31, 2019, the Company provided refundable security deposits, each representing a mineral property exploration license held with the Government of New South Wales Department of Planning and Environment as follows:

		AI Project		Northern NSW Project		Total
Balance, September 30, 2018	$	39,204	$	88,209	$	127,413
Additions		9,192		19,044		28,236
Balance, September 30, 2019		48,396		107,253		155,649
Additions		-		17,918		17,918
Fair value adjustment		(2,786)		2,537		(249)
Balance, December 31, 2019	**$**	**45,610**	**$**	**127,708**	**$**	**173,318**

Eleven of these security deposits were acquired pursuant to the assignment agreements with Ore Capital Partners Ltd. ("Ore Capital"), as described in Note 4(a), with an additional eight security deposits paid subsequently, of which two were acquired in the current period. Each deposit is valued at AUD$10,000 (CDN $9,122) per claim held.

(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS

As at December 31, 2019, the Company's exploration and evaluation assets consisted of cumulative expenditures incurred as follows:

	AI Project	Northern NSW Project	Carron Project	Total
Acquisition costs:				
Balance, September 30, 2018	$ 157,337	$ 424,869	$ 95,214	$ 677,420
Additions:	60,000	-	-	60,000
Balance, September 30, 2019 and December 31, 2019	217,337	424,869	95,214	737,420
Deferred exploration costs:				
Balance, September 30, 2018	88,979	297,632	-	386,611
Additions for the year:				
Administration and maintenance	6,027	12,153	-	18,180
Assay costs	4,295	-	-	4,295
Claim management fees	25,429	87,888	-	113,317
Geophysics	-	173,515	145,785	319,300
Geological services	156,496	213,734	4,000	374,230
Travel, food and accommodation	11,618	165	-	11,783
Total additions	203,865	487,455	149,785	841,105
Balance, September 30, 2019	292,844	785,087	149,785	1,227,716
Additions:				
Claim management fees	8,745	20,661	9,134	38,540
Geophysics	-	-	1,103	1,103
Geological services (Note 6)	15,338	57,046	450	72,834
Travel, food and accommodation	-	1,214	-	1,214
Total additions:	24,083	78,921	10,687	113,691
Balance, December 31, 2019	316,927	864,008	160,472	1,341,407
Balance, September 30, 2019	**$ 510,181**	**$ 1,209,956**	**$ 244,999**	**$ 1,965,136**
Balance, December 31, 2019	**$ 534,264**	**$ 1,288,887**	**$ 255,686**	**$ 2,078,827**

Artificial Intelligence, Northern New South Wales and Carron Projects

On December 31, 2017, the Company entered into an assignment agreement with Ore Capital whereby the rights and obligations of certain agreements were assigned to the Company in exchange for 15,895,000 common shares of the Company with a fair value of $500,000 based on expenditures previously incurred by Ore Capital. The assets subject to these agreements constitute the Artificial Intelligence ("AI") Project (Note 4(a)), the Northern New South Wales Project (Note 4(b)) and the Carron Project (Note 4(c)) as more fully described below. The $500,000 paid, less $127,413 recognized as refundable security deposits, was allocated as follows: $157,337 to the AI project, $120,036 to the Northern NSW Project and $95,214 to the Carron Project.

4. EXPLORATION AND EVALUATION ASSETS (continued)

a) AI Project (New South Wales)

On December 31, 2017, the Company took assignment of an Exploration Alliance Agreement (the "Agreement") dated May 1, 2017 whereby the Company acquired the rights from the Licensor to use proprietary neural network data to assist in targeting potential projects, each a "Project Area", in the Lachlan Fold Belt located primarily in New South Wales, Australia for a three year term ending May 1, 2020 (the "License Period"). Under the terms of the Agreement, the Company agreed to the following consideration and optional expenditures solely at the discretion of the Company:

1. Cash payments of US$60,000 (paid).

2. During the License Period, the Company will incur at least US$250,000 (incurred) in exploration expenditures within the area covered by the proprietary data.

3. The Company will pay the Licensor a fee of US$10,000 for any Project Area selected by the Company, as defined in the Agreement, within seven days of the Project Area becoming effective.

4. The Company will pay the Licensor a fee equal to 5% of all expenditures incurred on any Project Area, as defined in the Agreement.

5. For each mine established within a Project Area, the Licensor will receive a 2.0% net smelter royalty of which the Company may purchase 0.5% for US$1,000,000 at any time.

6. Upon expiry of the License Period, the Company will return the proprietary data to the Licensor along with the right, title and interest in any mineral properties within the area covered by the proprietary data that have not been designated as Project Areas. As at December 31, 2019, the Company had acquired five exploration licenses using the proprietary data but has not designated any Project Areas.

7. Subsequent to the License Period and until May 1, 2023, the Company may acquire an interest in a mineral property within the area covered by the proprietary data by paying a 5% fee on all quarterly exploration expenditures incurred on the property by way of cash or shares, terminating on the date a decision to mine is made.

8. Subsequent to May 1, 2023, the Company may acquire an interest in a mineral property within the area covered by the proprietary data with no further compensation to the Licensor.

The Company and the Licensor entered into a supplemental agreement whereby the Company agreed to pay CDN$60,000 to exclude certain properties from the area covered by the proprietary data. On February 14, 2019, the Company settled the amount owing through the issuance of 300,000 common shares at $0.20 per share to the Licensor.

b) Northern New South Wales Project (Northern New South Wales)

On December 31, 2017, the Company took assignment of a Binding Term Sheet (the "Term Sheet") dated June 6, 2017 whereby the Company agreed to acquire 100% interest in exploration licenses and applications (the "Licenses") in Northern New South Wales, Australia. The Term Sheet was subsequently superseded in an agreement dated July 1, 2018 (together the "Agreements") which amended the terms for the acquisition of the licenses. Pursuant to the Agreements, consideration paid or payable to the Vendor for the acquisition of the Licenses is as follows:

4. EXPLORATION AND EVALUATION ASSETS (continued)

b) Northern New South Wales Project (Northern New South Wales) (continued)

1. The Company made combined payments of AUD$205,000 (paid) upon the execution of the Term Sheet, and towards the cost of lodging and acquiring the Licenses.

2. The Company shall incur AUD$500,000 (completed) in exploration expenditures on the Licenses by June 6, 2018.

3. The Company shall make payment of AUD$25,000 (accrued).

4. The Company shall issue 2,805,000 common shares of the Company (issued July 1, 2018 with a fair value of $280,500).

5. The Company shall pay a 2% net smelter return royalty to the Vendor, of which the Company may purchase 1% for AUD$3,000,000 at any time.

6. The Company shall pay a success fee to the Vendor upon the successful listing of the Company's common shares on a public stock exchange, or it being taken public in any other manner, of AUD$5,000 per License up to a maximum of AUD$60,000, payable half in cash and half in shares of the Company at an agreed price of the greater of $0.05 per share or the 30-day volume weighted average price.

As of December 31, 2019, the Company has acquired fourteen exploration Licenses, subject to the payments under the Superseding Agreement.

c) Carron Project (Queensland)

On December 31, 2017, the Company took assignment of an Exploration Farm-In Agreement (the "Farm-In Agreement") dated March 15, 2017, whereby the Company may earn up to a 100% participating interest in a Joint Venture Property to acquire, explore and develop an exploration license in Queensland, Australia. Under the terms of the Farm-In Agreement, and its subsequent amendments dated December 20, 2018 and November 22, 2019, the Company agreed to the following, solely as optional expenditures at the discretion of the Company:

1. The Company may earn a 50% participating interest in the Joint Venture Property (earned) by incurring no less than AUD$297,172 (incurred) (the "Minimum Expenditure") on or before September 30, 2019 (the "Initial Earn-In Date"), including the completion of an airborne magnetics survey and a reimbursement of AUD$50,000 (paid) for costs already incurred by the Optionor (the "Stage 1 Earn-in").

2. The Company may earn a further 20% interest to bring its participation interest to 70% if it elects within three years of the Initial Earn-in Date to incur a further AUD$1,000,000 in mineral exploration expenditures, with a substantial portion being the cost of drilling (the "Stage 2 Earn-in").

3. Following the Stage 2 Earn-in Date, the Company may elect at its sole discretion to either:

   i) Acquire a further 30% interest to bring its participation interest to 100% by issuing a number of common shares of the Company to the Optionor based on a formula determined by an independent valuator; or

4. EXPLORATION AND EVALUATION ASSETS (continued)

c) Carron Project (Queensland) (continued)

ii) Acquire a further 20% interest to bring its participation interest to 90% by completing a feasibility study (the "Stage 3 Earn-in"). Where the Company achieves a Stage 3 Earn-in, the Company shall enter into a Royalty Deed agreement with the Optionor. Within 60 days of the Stage 3 Earn-in Date, the Optionor may elect to contribute to expenditures in proportion to its 10% participating interest in a bankable feasibility study and if the Optionor does not make such election, then its 10% interest shall be converted into a royalty.

d) Marra Copper Project (Northern New South Wales)

On September 6, 2018, the Company entered into a Term Sheet (the "Term Sheet") with an arm's length party to acquire a 100% interest, subject to a 2% net smelter return royalty, in two exploration licenses located in northern New South Wales. The Term Sheet was subsequently replaced by an Asset Purchase and Sale Agreement dated February 26, 2019 in which the Company agreed to acquire 100% ownership interest in Romardo Copper (NSW) Pty Ltd ("Romardo Copper") (Note 8), a private Australian company that holds the two exploration licenses, for the following consideration and optional expenditures at the discretion of the Company:

1. The Company shall make payment of AUD$30,000 (subsequently paid) upon completion of satisfactory due diligence.

2. The Company shall pay AUD$20,000 to the Vendors for reimbursement of security deposits upon the Company's successful listing on a public stock exchange.

3. The Company shall pay AUD$500,000 in cash or common shares of the Company upon completion of a pre-feasibility study.

4. The Company shall pay AUD$2,000,000 in cash or common shares of the Company upon completion of a feasibility study.

5. The Company shall pay AUD$6,000,000 upon the Company's decision to commence construction of a commercial mine.

6. The mineral licenses are subject to a 2% net smelter return royalty of which the Company may purchase 1% for AUD$2,000,000 at any time, and the Company has the right of first refusal to purchase any royalty interest offered for sale by consideration payable in cash.

5. SHARE CAPITAL

a) Authorized: an unlimited number of common shares without par value.

b) Issued: as at December 31, 2019, there are 36,898,639 (September 30, 2019: 31,130,001) common shares issued and outstanding.

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

c) Share Issuances

Share capital transactions were as follows:

Three months ended December 31, 2019

i) On December 19, 2019, the Company completed a private placement consisting of 5,768,638 units at $0.22 for total gross proceeds of $1,269,100. Each unit consists of one common share and one common share purchase warrant. Each share purchase warrant entitles the holder to acquire one common share at a price of $0.30 and is exercisable until June 19, 2022. The Company paid a cash finder's fee of $35,152 in connection with the private placement; and
ii) As at December 31, 2019, the Company had received $77,000 in proceeds towards a private placement which closed subsequent to the period end on January 31, 2020.

d) Stock Options

The Company has a stock option plan under which it is authorized to grant share purchase options of up to a maximum of 10% of the issued and outstanding common shares of the Company to executive officers, directors, employees and consultants enabling the holder to acquire common shares of the Company. Vesting is at the discretion of the Board of directors. In the absence of a vesting schedule, such options shall vest immediately.

As at December 31, 2019, the Company had outstanding stock options enabling the holders to acquire common shares as follows:

	Number of Options		Weighted Average Exercise Price
Outstanding, September 30, 2018	-	$	-
Granted	2,210,000		0.20
Cancelled	(200,000)		0.20
Outstanding, September 30, 2019 and December 31, 2019	**2,010,000**	**$**	**0.20**
Exercisable, September 30, 2019 and December 31, 2019	**2,010,000**	**$**	**0.20**

As at December 31, 2019, the following options were outstanding:

Expiry Date	Number of Options	Weighted Average Exercise Price	Weighted Average Exercise Period
March 21, 2024	**2,010,000**	**0.20**	**4.22**

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

e) Warrants

	Number of Warrants		Weighted Average Exercise Price
Outstanding, September 30, 2019	-	$	-
Granted	9,225,456		0.30
Outstanding, December 31, 2019	**9,225,456**	**$**	**0.30**

As at December 31, 2019, the following share purchase warrants were outstanding:

Expiry Date	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)
June 19, 2022	**9,225,456**	**0.30**	**2.47**

On December 19, 2019, the Company issued 3,456,818 share purchase warrants to subscribers of the private placement which closed on April 5, 2019 and 5,768,638 share purchase warrants were issued as part of the units subscribed for the private placement which closed on December 19, 2019 (Note 6). Each share purchase warrant entitles the holder to acquire one common share at a price of $0.30 and is exercisable until June 19, 2022.

f) Reserve

The reserve account consists of amounts recognized as share-based compensation expense until such time as the share options are exercised, at which time the corresponding amount will be transferred to share capital.

6. RELATED PARTY TRANSACTIONS

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

a) Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer, the chief financial officer, as well as the Vice President, Exploration and Corporate Secretary. Key management personnel compensation is comprised of the following:

(Expressed in Canadian dollars)

6. RELATED PARTY TRANSACTIONS (continued)

a) **Key Management Compensation** (continued)

		For the three months ended December 31, 2019		For the three months ended December 31, 2018
Consulting fees	$	34,500	$	21,250
Salaries and benefits		3,680		-
Geological consulting capitalized (Note 4)		52,500		48,750
	$	**90,680**	**$**	**70,000**

During the three months ended December 31, 2019, the Company incurred $22,500 (2018: $11,250) in consulting fees and $22,500 (2018: $33,750) in geological consulting fees payable to a company controlled by the CEO of the Company.

During the three months ended December 31, 2019, the Company incurred $12,000 (2018: $10,000) in consulting fees payable to a company controlled by the CFO of the Company.

During the three months ended December 31, 2019, the Company incurred $30,000 (2018: $15,000) in geological consulting fees and benefits payable to a company controlled by the VP Exploration of the Company.

During the three months ended December 31, 2019, the Company incurred $680 (2018: $nil) in group health benefits on behalf of executive officers.

b) Related Party Transactions

During the three months ended December 31, 2019, the following transactions with related parties (including companies controlled and/or owned by related parties) not disclosed elsewhere in the financial statements occurred.

The Company is party to a Strategic Consulting Agreement (the “SCA”) with Ore Capital dated July 1, 2018 that was amended on September 1, 2019. As compensation for the services provided under the amended SCA, the Company is to pay a monthly fee of $5,000 until expiry of the SCA on February 29, 2020. During the three months ended December 31, 2019, the Company incurred $15,000 (2018: $30,000) in consulting fees payable to Ore Capital.

On December 19, 2019, Ore Capital participated in a private placement by subscribing to 150,000 shares at $0.22 (Note 5).

Included in accounts payable and accrued liabilities at December 31, 2019 is $241,774 (September 30, 2019 - $246,925) due to related parties.

(Expressed in Canadian dollars)

7. SEGMENTED INFORMATION

The Company has one operating segment, the exploration of mineral properties, and two geographic segments, with all current exploration activities being conducted in Australia.

	December 31, 2019		
	Canada	**Australia**	**Total**
Current assets	$ 1,238,078	$ 42,750	$ 1,280,828
Refundable security deposits	-	173,318	173,318
Exploration and evaluation assets	-	2,078,827	2,078,827
Total assets	**$ 1,237,078**	**$ 2,294,895**	**$ 3,532,973**

	September 30, 2019		
	Canada	**Australia**	**Total**
Current assets	$ 494,989	$ 29,915	$ 524,904
Refundable security deposits	-	155,649	155,649
Exploration and evaluation assets	-	1,965,136	1,965,136
Total assets	**$ 494,989**	**$ 2,150,700**	**$ 2,645,689**

8. SUBSEQUENT EVENTS

i) On January 31, 2020, the Company closed the final tranche of a non-brokered private placement to raise gross proceeds of $1,378,200 through the issuance of 6,264,545 units priced at $0.22 (the "Units"). Each Unit consists of one common share and one share purchase warrant exercisable into one further common share at a price of $0.30 for a term of 30 months. A 6% commission comprised of $12,870 cash was paid on $214,500 of the final tranche. Insiders purchased 315,000 Units at a cost of $69,300.

The Company granted one of the investors of the final tranche the right to acquire additional shares of the Company at a price of $0.01 per share such that the total average purchase price of this subscription shall be equal to the per share price of the shares issued under the Company's anticipated initial public offering ("IPO"). If the price per share of the IPO is equal to or greater than $0.22 per share then these rights shall immediately expire. These rights shall expire one year from the closing date of the final tranche of the private placement if the Company has not completed the IPO.

ii) On February 11, 2020, the Company completed the acquisition of 100% interest in Romardo Copper (Note 4).

iii) On March 10, 2020, the Company granted 1,980,000 stock options with an exercise price of $0.30 per share expiring March 10, 2025 to directors and officers. The options vest six months from the date of the grant.

INFLECTION RESOURCES LTD.

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2019

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Inflection Resources Ltd.

Opinion

We have audited the consolidated financial statements of Inflection Resources Ltd. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2019 and 2018, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

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 to the financial statements, which describes events or conditions that indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, 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.
- **O**btain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Barry Hartley.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

February 26, 2020

Inflection Resources Ltd.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

		September 30, 2019		September 30, 2018
ASSETS				
Current Assets				
Cash	$	455,290	$	525,413
Other receivables		29,699		14,744
Prepaid expenses and deposits		39,915		-
Total current assets		**524,904**		**540,147**
Non-current assets				
Refundable security deposits (Note 5)		155,649		127,413
Exploration and evaluation assets (Note 6)		1,965,136		1,064,031
TOTAL ASSETS	**$**	**2,645,689**	**$**	**1,731,591**
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (Note 7)	$	318,071	$	103,011
Total liabilities		**318,071**		**103,011**
SHAREHOLDERS' EQUITY				
Share capital (Note 8)		2,546,501		1,725,001
Share subscriptions received (Note 8)		280,200		-
Reserve (Notes 8 and 9)		372,827		-
Deficit		(871,910)		(96,421)
Total shareholders' equity		**2,327,618**		**1,628,580**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**2,645,689**	**$**	**1,731,591**

Nature of operations and going concern – Note 1
Subsequent events – Note 12

APPROVED ON BEHALF OF THE BOARD ON FEBRUARY 26, 2020:

“Alistair Waddell”	“Cecil Bond”
DIRECTOR	DIRECTOR

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

Inflection Resources Ltd.
Consolidated Statements of Comprehensive Loss
(Expressed in Canadian dollars)

		For the year ended September 30, 2019		For the year ended September 30, 2018
Expenses				
Consulting fees (Notes 8 and 9)	$	218,049	$	85,000
Investor communications		27,530		1,601
Office and miscellaneous		11,406		4,021
Professional fees		57,198		4,827
Salaries and benefits		5,047		-
Share-based compensation (Notes 8 and 9)		372,827		-
Travel and meals		78,504		2,777
Total expenses		**(770,561)**		**(98,226)**
Other items				
Foreign exchange gain (loss)		(4,928)		2,498
Net loss and comprehensive loss	**$**	**(775,489)**	**$**	**(95,728)**
Loss per share – basic and diluted	**$**	**(0.03)**	**$**	**(0.01)**
Weighted average number of common shares outstanding – basic and diluted		**29,669,987**		**16,288,542**

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

Inflection Resources Ltd.

Consolidated Statements of Changes in Equity

For the year ended September 30, 2019
(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Share Subscriptions Received	Reserve	Deficit	Total
Balance, September 30, 2017	1	$ 1	$ -	$ -	$ (693)	$ (692)
Shares issued for services (Note 8)	3,300,000	16,500	-	-	-	16,500
Shares issued pursuant to assignment agreement (Notes 6, 8 and 9)	15,895,00	500,000	-	-	-	500,000
Shares issued for exploration and evaluation assets (Notes 6 and 8)	2,805,000	280,500	-	-	-	280,500
Shares issued for private placements (Note 8)	6,215,000	928,000	-	-	-	928,000
Net loss for the year	-	-	-	-	(95,728)	(95,728)
Balance, September 30, 2018	28,215,001	$ 1,725,001	$ -	$ -	$ (96,421)	$ 1,628,580
Shares issued for exploration and evaluation assets (Notes 6 and 8)	300,000	60,000	-	-	-	60,000
Shares issued for private placements (Note 8)	2,615,000	779,500	-	-	-	779,500
Proceeds received for share subscriptions (Notes 8 and 12)	-	-	280,200	-	-	280,200
Share issuance costs (Note 8)	-	(18,000)	-	-	-	(18,000)
Share-based compensation (Notes 8 and 9)	-	-	-	372,827	-	372,827
Net loss for the year	-	-	-	-	(775,489)	(775,489)
Balance, September 30, 2019	**31,130,001**	**$ 2,546,501**	**$ 280,200**	**$ 372,827**	**$ (871,910)**	**$ 2,327,618**

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

Inflection Resources Ltd.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

		For the year ended September 30, 2019		For the year ended September 30, 2018
Operating activities				
Net loss for the year	$	(775,489)	$	(95,728)
Non-cash items:				
Consulting fees		-		16,500
Share-based compensation		372,827		-
Changes in non-cash working capital items:				
Other receivables		(14,965)		(14,734)
Prepaid expenses and deposits		(39,915)		-
Accounts payable and accrued liabilities		215,060		102,319
Net cash flows provided by (used in) operating activities		**(242,482)**		**8,357**
Investing activities				
Payment of refundable security deposit		(28,236)		(127,413)
Additions to exploration and evaluation assets		(841,105)		(283,531)
Net cash flows used in investing activities		**(869,341)**		**(410,944)**
Financing activities				
Proceeds from private placements, net of share issuance costs		1,041,700		928,000
Net cash flows provided by financing activities		**1,041,700**		**928,000**
Change in cash		(70,123)		525,413
Cash, beginning of year		525,413		-
Cash, end of year	**$**	**455,290**	**$**	**525,413**
Non-cash investing and financing activities:				
Shares issued for refundable security deposits	$	-	$	127,413
Shares issued for finders' fees	$	9,000	$	-
Shares issued for exploration and evaluation assets	$	60,000	$	653,087

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Inflection Resources Ltd. (the "Company") was incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia) on May 9, 2017 and its principal business activity is the exploration and evaluation of mineral properties located in New South Wales and Queensland, Australia. The Company's head office and registered and records office address is Suite 1100 – 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

The Company has two wholly-owned subsidiaries: Australian Consolidated Gold Holdings Pty Ltd and ACGH II Pty Ltd. The accounts of the subsidiaries are consolidated with the Company.

The business of mining exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead, pay its debts and liabilities, and maintain its exploration and evaluation assets. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets. The carrying value of the Company's exploration and evaluation assets may not reflect current or future values.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at September 30, 2019, the Company has not yet achieved profitable operations, incurred a net loss of $775,489 (2018 - $95,728) in the current year and has an accumulated deficit of $871,910 (2018 - $96,421). The ability of the Company to continue as a going concern and meet its commitments as they become due, including exploration of its exploration and evaluation assets, is dependent on the Company's ability to obtain the necessary financing. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. If the going concern assumption was not appropriate for these financial statements, adjustments would be necessary in the carrying values of assets, liabilities, reported income and expenses and the statement of financial position classifications used. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit and loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

Critical accounting estimates and judgments

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. Actual results could differ from these estimates.

2. BASIS OF PREPARATION (continued)

Foreign Currency Translation

The functional and presentation currency of the Company is the Canadian dollar. The individual financial statements of each subsidiary are presented in the currency of the primary economic environment in which the entity operates (its functional currency). Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange gains and losses on translation are included in profit and loss.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgment, which has the most significant effect on the amounts recognized in the financial statements.

i) Going Concern Assumption

In determining whether it is appropriate for the Company to be reported as a going concern, management exercises judgement, having undertaken appropriate enquiries and having considered the business activities, principal risks and uncertainties.

ii) Recoverability of Exploration and Evaluation Assets

The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized and the carrying value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Valuation of Shares Issued in Non-Cash Transactions.

Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

ii) Recognition of Deferred Tax Assets.

The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial Instruments

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

i) *Classification*

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL.

For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

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

Financial assets / liabilities	Original classification IAS 39	New classification IFRS 9
Cash	FVTPL	FVTPL
Receivables	Loans and receivables	Amortized cost
Accounts payable	Other financial liabilities	Amortized cost

The Company adopted IFRS 9 retrospectively without restatement of comparative amounts from reclassification.

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.

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 comprehensive loss. 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 comprehensive loss in the period in which they arise.

Debt investments at FVTOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI
These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

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 comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

iv) *Derecognition*

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Fair Value Hierarchy

The Company categorizes financial instruments measured at fair value at one of three levels according to the reliability of the inputs used to estimate fair values. The fair value of financial assets and financial liabilities in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Financial assets and financial liabilities in Level 2 are valued using inputs other than quoted prices for which all significant inputs are based on observable market data. Level 3 valuations are based on inputs that are not based on observable market data.

Cash and Cash Equivalents

Cash and cash equivalents consist of bank deposits or highly liquid investments that are readily convertible to known amounts of cash with original maturities of 90 days or less.

Exploration and Evaluation Assets ("E&E")

Once the legal right to explore a property has been acquired, costs directly related to E&E expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs and payments made to contractors during the exploration phase. Costs not directly attributable to E&E activities, including general and administrative overhead costs, are expensed in the period in which they occur. The costs are accumulated by exploration area and are not depleted pending determination of technical feasibility and commercial viability.

From time to time, the Company may acquire or dispose of properties pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as E&E assets or recoveries when the payments are made or received.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Exploration and Evaluation Assets ("E&E") (continued)

When a project is deemed to no longer have commercially viable prospects to the Company, E&E expenditures in respect of that project are deemed to be impaired. As a result, those E&E expenditures, in excess of estimated recoveries, are written off to the statement of comprehensive loss. The Company assesses E&E assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Impairment of Non-Financial Assets

At the end of each reporting period the carrying amounts of the assets are reviewed to determine whether there is any indication that those assets are impaired. Impairment is recognized when the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the asset's 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. The impairment loss is recognized in the profit or loss in the period the impairment is determined.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount had no impairment loss been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

Reclamation Obligations

The Company recognizes the fair value of a legal or constructive liability for a reclamation obligation in the period in which it is incurred and when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. Changes in the liability for a reclamation obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and a financing expense in the statement of comprehensive income or loss. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease to the carrying amount of the liability and the related long-lived asset.

Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants and options are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity.

Share-based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is recognized in profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured before and after the modification, is also charged to the profit or loss over the remaining vesting period.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based Payments (continued)

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

All equity-settled share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid. Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest, except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Loss per Share

Basic loss per common share is computed by dividing the net loss for the year by the weighted average number of common shares outstanding for the period. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. The treasury stock method is used to determine the dilutive effect of stock options and other dilutive instruments. Under the treasury stock method, the weighted average number of common shares outstanding used in the calculation of the diluted per share amount assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the period. When a loss is incurred during the period, basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive.

Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities, and their respective tax basis. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the enactment date. Deferred tax assets also result from unused loss carry-forwards, resource related tax pools and other deductions. 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risk and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

New Standards and Interpretations

New accounting standards issued but not yet effective

IFRS 16 – Leases (“IFRS 16”)

This new standard replaces IAS 17 "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019. The new standard is not expected to have an impact on the Company’s financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. FINANCIAL RISKS AND CAPITAL MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company’s primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in a bank account held with a major bank in Canada. The risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company has secondary exposure to credit risk on its receivables. This risk is minimal as receivables consist primarily of refundable goods and services taxes.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate as they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to significant foreign currency risk.

(Expressed in Canadian dollars)

4. FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company assessed its liquidity risk as high.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to interest rate risk.

Capital Management

The Company defines its capital as shareholders' equity. It manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. 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 is dependent upon external financing or the sale of assets to fund activities. In order to carry future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. 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 approach to capital management has not changed since the prior year, and the Company is not subject to externally imposed capital requirements.

5. REFUNDABLE SECURITY DEPOSITS

As at September 30, 2019, the Company provided refundable security deposits, each representing a mineral property exploration license held with the Government of New South Wales Department of Planning and Environment as follows:

	AI Project	Northern NSW Project	Total
Balance, September 30, 2018	$ 39,204	$ 88,209	$ 127,413
Additions	9,192	19,044	28,236
Balance, September 30, 2019	**$ 48,396**	**$ 107,253**	**$ 155,649**

These security deposits were acquired pursuant to the assignment agreements with Ore Capital Partners Ltd. ("Ore Capital"), as described in Note 6(a), with additional security deposits paid in the current year. Each deposit is valued at AUD$10,000 (CDN $9,156) per claim held.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS

As at September 30, 2019, the Company's exploration and evaluation assets consisted of cumulative expenditures incurred as follows:

	AI Project	Northern NSW Project	Carron Project	Total
Acquisition costs:				
Balance, beginning of the year	$ 157,337	$ 424,869	$ 95,214	$ 677,420
Additions:	60,000	-	-	60,000
Balance, end of year	217,337	424,869	95,214	737,420
Deferred exploration costs:				
Balance, beginning of the year	88,979	297,632	-	386,611
Additions for the year:				
Administration and maintenance	6,028	12,153	-	18,181
Assay	4,295	-	-	4,295
Claim management fees	25,429	87,888	-	113,317
Geophysics	-	173,515	145,785	319,300
Geological services (Note 9)	156,496	213,734	4,000	374,229
Travel, food and accommodation	11,618	165	-	11,783
Total additions for the year	203,866	487,455	149,785	841,105
Balance, end of the year	292,844	785,087	149,785	1,227,716
Balance, September 30, 2019	**$ 510,181**	**$ 1,209,956**	**$ 244,999**	**$ 1,965,136**

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

As at September 30, 2018, the Company's exploration and evaluation assets consisted of cumulative expenditures incurred as follows:

	AI Project	Northern NSW Project	Carron Project	Total
Acquisition costs:				
Balance, beginning of the year	$ -	$ -	$ -	$ -
Additions:	157,337	424,869	95,214	677,420
Balance, end of year	157,337	424,869	95,214	677,420
Deferred exploration costs:				
Balance, beginning of the year	-	-	-	-
Additions for the year:				
Administration and maintenance	3,728	2,603	-	6,331
Geophysics	-	146,896	-	146,896
Geological services (Note 9)	74,489	87,002	-	161,491
Professional fees	10,762	61,131	-	71,893
Total additions for the year	88,979	297,632	-	386,611
Balance, end of the year	88,979	297,632	-	386,611
Balance, September 30, 2018	**$ 246,316**	**$ 722,501**	**$ 95,214**	**$ 1,064,031**

Artificial Intelligence, Northern New South Wales and Carron Projects

On December 31, 2017, the Company entered into an assignment agreement with Ore Capital Partners Ltd. ("Ore Capital") whereby the rights and obligations of certain agreements were assigned to the Company in exchange for 15,895,000 common shares of the Company with a fair value of $500,000 based on expenditures previously incurred by Ore Capital (Notes 8 and 9). The assets subject to these agreements constitute the Artificial Intelligence ("AI") Project (Note 6(a)), the Northern New South Wales Project (Note 6(b)) and the Carron Project (Note 6(c)) as more fully described below. The $500,000 paid, less $127,413 recognized as refundable security deposits, was allocated as follows: $157,337 to the AI project, $120,036 to the Northern NSW Project and $95,214 to the Carron Project.

a) AI Project (New South Wales)

On December 31, 2017, the Company took assignment of an Exploration Alliance Agreement (the "Agreement") dated May 1, 2017 whereby the Company acquired the rights from the Licensor to use proprietary neural network data to assist in targeting potential projects, each a "Project Area", in the Lachlan Fold Belt located primarily in New South Wales, Australia for a three year term ending May 1, 2020 (the "License Period"). Under the terms of the Agreement, the Company agreed to the following consideration and optional expenditures solely at the discretion of the Company:

1. Cash payments of US$60,000 (paid).

2. During the License Period, the Company will incur at least US$250,000 (incurred) in exploration expenditures within the area covered by the proprietary data.

3. The Company will pay the Licensor a fee of US$10,000 for any Project Area selected by the Company, as defined in the Agreement, within seven days of the Project Area becoming effective.

6. EXPLORATION AND EVALUATION ASSETS (continued)

a) AI Project (New South Wales) (continued)

4. The Company will pay the Licensor a fee equal to 5% of all expenditures incurred on any Project Area, as defined in the Agreement.

5. For each mine established within a Project Area, the Licensor will receive a 2.0% net smelter royalty of which the Company may purchase 0.5% for US$1,000,000 at any time.

6. Upon expiry of the License Period, the Company will return the proprietary data to the Licensor along with the right, title and interest in any mineral properties within the area covered by the proprietary data that have not been designated as Project Areas. As at September 30, 2019, the Company had acquired five exploration licenses using the proprietary data but has not designated any Project Areas.

7. Subsequent to the License Period and until May 1, 2023, the Company may acquire an interest in a mineral property within the area covered by the proprietary data by paying a 5% fee on all quarterly exploration expenditures incurred on the property by way of cash or shares, terminating on the date a decision to mine is made.

8. Subsequent to May 1, 2023, the Company may acquire an interest in a mineral property within the area covered by the proprietary data with no further compensation to the Licensor.

The Company and the Licensor entered into a supplemental agreement whereby the Company agreed to pay CDN$60,000 to exclude certain properties from the area covered by the proprietary data. On February 14, 2019, the Company settled the amount owing through the issuance of 300,000 common shares at $0.20 per share to the Licensor (Note 8).

b) Northern New South Wales Project (Northern New South Wales)

On December 31, 2017, the Company took assignment of a Binding Term Sheet (the "Term Sheet") dated June 6, 2017 whereby the Company agreed to acquire 100% interest in exploration licenses and applications (the "Licenses") in Northern New South Wales, Australia. The Term Sheet was subsequently superseded in an agreement dated July 1, 2018 (together the "Agreements") which amended the terms for the acquisition of the licenses. Pursuant to the Agreements, consideration paid or payable to the Vendor for the acquisition of the Licenses is as follows:

1. The Company shall make combined payments of AUD$205,000 (paid) to execute the Term sheet, and towards the cost of lodging and acquiring the Licenses.

2. The Company shall incur AUD$500,000 (completed) in exploration expenditures on the Licenses by June 6, 2018.

3. The Company shall make payment of AUD$25,000 (accrued).

4. The Company shall issue 2,805,000 common shares of the Company (issued July 1, 2018 with a fair value of $280,500) (Note 8).

5. The Company shall pay a 2% net smelter return royalty to the Vendor, of which the Company may purchase 1% for AUD$3,000,000 at any time.

6. The Company shall pay a success fee to the Vendor upon the successful listing of the Company's common shares on a public stock exchange, or it being taken public in any other manner, of AUD$5,000 per License up to a maximum of AUD$60,000, payable half in cash and half in shares of the Company at an agreed price of the greater of $0.05 per share or the 30-day volume weighted average price.

As of September 30, 2019, the Company has acquired twelve exploration Licenses.

6. EXPLORATION AND EVALUATION ASSETS (continued)

c) Carron Project (Queensland)

On December 31, 2017, the Company took assignment of an Exploration Farm-In Agreement (the "Farm-In Agreement") dated March 15, 2017, whereby the Company may earn up to a 100% participating interest in a Joint Venture Property to acquire, explore and develop an exploration license in Queensland, Australia. Under the terms of the Farm-In Agreement, and its subsequent amendments dated December 20, 2018 and November 22, 2019, the Company agreed to the following, solely as optional expenditures at the discretion of the Company:

1. The Company may earn a 50% participating interest in the Joint Venture Property (earned) by incurring no less than AUD$297,172 (incurred) (the "Minimum Expenditure") on or before September 30, 2019 (the "Initial Earn-In Date"), including the completion of an airborne magnetics survey and a reimbursement of AUD$50,000 (paid) for costs already incurred by the Optionor (the "Stage 1 Earn-in").

2. The Company may earn a further 20% interest to bring its participation interest to 70% if it elects within three years of the Initial Earn-in Date to incur a further AUD$1,000,000 in mineral exploration expenditures, with a substantial portion being the cost of drilling (the "Stage 2 Earn-in").

3. Following the Stage 2 Earn-in Date, the Company may elect at its sole discretion to either:

    i) Acquire a further 30% interest to bring its participation interest to 100% by issuing a number of common shares of the Company to the Optionor based on a formula determined by an independent valuator; or

    ii) Acquire a further 20% interest to bring its participation interest to 90% by completing a feasibility study (the "Stage 3 Earn-in"). Where the Company achieves a Stage 3 Earn-in, the Company shall enter into a Royalty Deed agreement with the Optionor. Within 60 days of the Stage 3 Earn-in Date, the Optionor may elect to contribute to expenditures in proportion to its 10% participating interest in a bankable feasibility study and if the Optionor does not make such election, then its 10% interest shall be converted into a royalty.

d) Marra Copper Project (Northern New South Wales)

On September 6, 2018, the Company entered into a Term Sheet (the "Term Sheet") with an arm's length party to acquire a 100% interest, subject to a 2% net smelter return royalty, in two exploration licenses located in northern New South Wales. The Term Sheet was subsequently replaced by an Asset Purchase and Sale Agreement dated February 26, 2019 in which the Company agreed to acquire 100% ownership interest in Romardo Copper (NSW) Pty Ltd ("Romardo Copper"), a private Australian company that holds the two exploration licenses, for the following consideration and optional expenditures at the discretion of the Company:

1. The Company shall make payment of AUD$30,000 (subsequently paid) upon completion of satisfactory due diligence.

2. The Company shall pay AUD$500,000 in cash or common shares of the Company upon completion of a pre-feasibility study.

3. The Company shall pay AUD$2,000,000 in cash or common shares of the Company upon completion of a feasibility study.

4. The Company shall pay AUD$6,000,000 upon the Company's decision to commence construction of a commercial mine.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

d) Marra Copper Project (Northern New South Wales) (continued)

5. The mineral licenses are subject to a 2% net smelter return royalty of which the Company may purchase 1% for AUD$2,000,000 at any time, and the Company has the right of first refusal to purchase any royalty interest offered for sale by consideration payable in cash.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		September 30, 2019		**September 30, 2018**
Accounts payable (Note 9)	$	318,071	$	86,011
Accrued liabilities		-		17,000
	$	**318,071**	**$**	**103,011**

8. SHARE CAPITAL

a) Authorized: an unlimited number of common shares without par value.

b) Issued: as at September 30, 2019, there are 31,130,001 (2018: 28,215,001) common shares issued and outstanding.

c) Share Issuances

Share capital transactions were as follows:

<u>Year ended September 30, 2018</u>

i) On December 31, 2017, the Company issued 15,895,000 common shares with a fair value of $500,000 based on the assets acquired pursuant to the assignment agreement with Ore Capital (Note 6);
ii) On January 4, 2018, the Company issued 2,200,000 common shares with a fair value of $11,000 to the CEO of the Company for consulting services (Note 9);
iii) On January 4, 2018, the Company issued 1,100,000 common shares with a fair value of $5,500 to the VP of Exploration for geological consulting services;
iv) On June 4, 2018, the Company completed a private placement consisting of 3,150,000 common shares priced at $0.10 per share for total proceeds of $315,000;
v) On July 1, 2018, the Company issued 2,805,000 common shares with a fair value of $280,500 to the Vendors of the Northern NSW Project pursuant to the superseding agreement (Note 6); and
vi) On July 4, 2018, the Company completed a private placement consisting of 3,065,000 common shares priced at $0.20 for total proceeds of $613,000.

<u>Year ended September 30, 2019</u>

i) On February 14, 2019, the Company issued 300,000 common shares at $0.20 as settlement of the $60,000 owing under the AI Project supplemental agreement dated April 1, 2018 (Note 6);
ii) On February 20, 2019, the Company completed a private placement consisting of 50,000 common shares at $0.20 for total proceeds of $10,000;
iii) On April 5, 2019, the Company completed a private placement consisting of 2,535,000 common shares at $0.30 for total proceeds of $760,500. Ore Capital subscribed for 500,000 shares (Note 9(b)). A finder's fee consisting of $9,000 in cash and 30,000 common shares valued at $9,000 was paid on a portion of the financing; and

8. SHARE CAPITAL (continued)

(Expressed in Canadian dollars)

iv) As at September 30, 2019 the Company had received $280,200 in proceeds towards a private placement which closed subsequent to year end (Note 12).

d) Stock Options

The Company has a stock option plan under which it is authorized to grant share purchase options of up to a maximum of 10% of the issued and outstanding common shares of the Company to executive officers, directors, employees and consultants enabling the holder to acquire common shares of the Company. Vesting is at the discretion of the Board of directors. In the absence of a vesting schedule, such options shall vest immediately.

As at September 30, 2019, the Company had outstanding stock options enabling the holders to acquire common shares as follows:

	Number of Options		Weighted Average Exercise Price
Outstanding, September 30, 2018	-	$	-
Granted	2,210,000		0.20
Cancelled	(200,000)		0.20
Outstanding, September 30, 2019	**2,010,000**	**$**	**0.20**
Exercisable, September 30, 2019	**2,010,000**	**$**	**0.20**

As at September 30, 2019, the following options were outstanding:

Expiry Date	Number of Options	Weighted Average Exercise Price	Weighted Average Exercise Period
March 21, 2024	**2,010,000**	**0.20**	**4.48**

On March 21, 2019, the Company granted 2,210,000 stock options to directors, employees and consultants to purchase up to 2,210,000 common shares of the Company at an exercise price of $0.20 per share on or before March 21, 2024. All options vested immediately. 200,000 of these options were cancelled on September 28, 2019.

The Company recognized $372,827 in share-based compensation for the options vested during the year.

The Company applies the fair value method in accounting for its stock options using the Black-Scholes Option Pricing Model using the following estimates:

	September 30, 2019	September 30, 2018
Risk-free rate	1.44%	-
Expected life of options	5 years	-
Expected annualized volatility	125%	-
Expected dividend rate	-	-

(Expressed in Canadian dollars)

e) Reserve

The reserve account consists of amounts recognized as share-based compensation expense until such time as the share options are exercised, at which time the corresponding amount will be transferred to share capital.

9. RELATED PARTY TRANSACTIONS

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

a) Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer, the chief financial officer and the vice president of exploration of the Company. Key management personnel compensation is comprised of the following:

		September 30, 2019		**September 30, 2018**
Consulting fees	$	202,000	$	55,000
Geological consulting capitalized (Note 6)		225,000		118,750
	$	**427,000**	**$**	**173,750**

During the year ended September 30, 2019, the Company incurred $45,000 (2018: $30,000) in consulting fees and $135,000 (2018: $90,000) in geological consulting fees to a company controlled by the CEO of the Company. During the year ended September 30, 2018, the Company issued 2,200,000 common shares with a fair value of $11,000 for consulting services provided (Note 8).

During the year ended September 30, 2019, the Company incurred $32,500 (2018: $10,000) in consulting fees to a company controlled by the CFO of the Company.

During the year ended September 30, 2019, the Company incurred $8,400 (2018: $15,000) in consulting fees to a company controlled by a director of the Company.

During the year ended September 30, 2019, the Company incurred $90,000 (2018: $28,750) in geological consulting fees and benefits to a company controlled by the VP Exploration of the Company.

During the year ended September 30, 2019, the Company incurred $1,100 (2018: $Nil) in consulting fees to the Corporate Secretary of the Company.

During the year ended September 30, 2019, the Company granted 2,010,000 stock options to officers and directors of the Company with a fair value of $339,087.

b) Related Party Transactions

During the years ended September 30, 2019 and 2018, the Company entered into the following transactions with related parties (including companies controlled and/or owned by related parties) not disclosed elsewhere in the financial statements:

On December 31, 2017, the Company issued 15,895,000 common shares with a fair value of $500,000 to Ore Capital, a significant shareholder of the Company, pursuant to the assignment agreement (Note 6).

9. RELATED PARTY TRANSACTIONS (continued)

(Expressed in Canadian dollars)

b) Related Party Transactions (continued)

The Company entered into a Strategic Consulting Agreement (the "SCA") with Ore Capital effective July 1, 2018 for a twelve month term with provision for automatic renewal for a consecutive twelve month term unless 30 days written notice of termination is provided. As compensation for the services provided, Ore Capital will receive a monthly fee of $10,000. On September 1, 2019, the Company amended the SCA with Ore Capital such that the monthly fee was reduced to $5,000 and the term was set to expire on February 29, 2020. During the year ended September 30, 2019, the Company incurred $115,000 (2018: $30,000) in consulting fees payable to Ore Capital.

On April 5, 2019, Ore Capital participated in a private placement by purchasing 500,000 shares at $0.30 for total proceeds of $150,000 (Note 8).

Included in accounts payable and accrued liabilities at September 30, 2019 is $246,925 (2018 - $77,399) due to related parties (Note 7).

10. INCOME TAXES

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

		September 30, 2019		September 30, 2018
Net loss	$	(775,489)	$	(95,728)
Statutory tax rate		27%		27%
Expected income tax recovery		(209,382)		(25,847)
Permanent differences		106,282		183
Change in unrecognize deferred income tax assets		103,100		25,664
	$	**-**	**$**	**-**

The significant components of deferred income tax assets and liabilities as at September 30, 2019 and 2018, after applying enacted income tax rates, are as follows:

		September 30, 2019		September 30, 2018
Net operating loss carry forward	$	128,951	$	25,851
Unrecognized deferred income tax assets		(128,951)		(25,851)
	$	**-**	**$**	**-**

The Company has net operating losses which may be carried forward to apply against future year taxable income, subject to the final determination by taxation authorities, expiring in the following years:

		Non-capital Losses
2037	$	693
2038		95,051
2039		381,853
	$	**477,597**

10. INCOME TAXES (continued)

(Expressed in Canadian dollars)

As future taxable profits of the Company are uncertain, no deferred tax asset has been recognized. As at September 30, 2019, the Company has approximately $478,000 in non-capital losses that can be offset against taxable income in future years which begin expiring at various dates commencing in 2037. The potential future tax benefit of these losses has not been recorded as a full-future tax asset valuation allowance has been provided due to the uncertainty regarding the realization of these losses.

11. SEGMENTED INFORMATION

The Company has one operating segment, the exploration of mineral properties, and two geographic segments, with all current exploration activities being conducted in Australia.

	September 30, 2019		
	Canada	**Australia**	**Total**
Current assets	$ 494,989	$ 29,915	$ 524,904
Refundable security deposits	-	155,649	155,649
Exploration and evaluation assets	-	1,965,136	1,965,136
Total assets	**$ 494,989**	**$ 2,150,700**	**$ 2,645,689**

	September 30, 2018		
	Canada	**Australia**	**Total**
Current assets	$ 536,440	$ 3,707	$ 540,147
Refundable security deposits	-	127,413	127,413
Exploration and evaluation assets	-	1,064,031	1,064,031
Total assets	**$ 536,440**	**$ 1,195,151**	**$ 1,731,591**

12. SUBSEQUENT EVENTS

i) On November 22, 2019, the Company executed a transfer and assignment agreement with the vendors of Romardo Copper (Note 6) in which the Company agreed to refund the AUD$20,000 in security deposits lodged on the exploration licenses to the vendors upon the successful listing of the Company on a public stock exchange.

On December 31, 2019, the Company amended the AUD$30,000 consideration payable for the acquisition of Romardo Copper to AUD$13,233 cash and the repayment of AUD$16,767 in loans owing by Romardo Copper to the vendors.

On February 11, 2020, the Company completed the acquisition of 100% interest in Romardo Copper.

ii) On December 19, 2019, the Company closed the first tranche of a non-brokered private placement to raise gross proceeds of $1,269,100 through the issuance of 5,768,638 units priced at $0.22 (the "Units"). Each Unit consists of one common share and one share purchase warrant exercisable into one further common share at a price of $0.30 for a term of 30 months. As at September 30, 2019, $280,200 in proceeds received were recorded as share subscriptions received. A 7% commission comprised of $35,903 cash was paid on $512,900 of the first tranche. Insiders purchased 700,000 Units at a cost of $154,000.

iii) On December 19, 2019, the Company issued 3,456,818 share purchase warrants to the shareholders of the April 5, 2019 private placement. Each warrant is exercisable into one common share at a price of $0.30 for a term of 30 months.

12. SUBSEQUENT EVENTS (continued)

iv) On January 31, 2020, the Company closed the final tranche of a non-brokered private placement to raise gross proceeds of $1,378,200 through the issuance of 6,264,545 units priced at $0.22 (the "Units"). Each Unit consists of one common share and one share purchase warrant exercisable into one further common share at a price of $0.30 for a term of 30 months. A 6% commission comprised of $12,870 cash was paid on $214,500 of the final tranche. Insiders purchased 315,000 Units at a cost of $69,300.

The Company granted one of the investors of the final tranche the right to acquire additional shares of the Company at a price of $0.01 per share such that the total average purchase price of this subscription shall be equal to the per share price of the shares issued under the Company's anticipated initial public offering ("IPO"). If the price per share of the IPO is equal to or greater than $0.22 per share then these rights shall immediately expire. These rights shall expire one year from the closing date of the final tranche of the private placement if the Company has not completed the IPO.

INFLECTION RESOURCES LTD.

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2018

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Inflection Resources Ltd.

We have audited the accompanying consolidated financial statements of Inflection Resources Ltd., which comprise the consolidated statements of financial position as at September 30, 2018 and 2017, and the consolidated statements of comprehensive loss, cash flows and changes in shareholders' equity for the period from inception on May 9, 2017 to September 30, 2017 and the year ended September 30, 2018, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Inflection Resources Ltd. as at September 30, 2018 and 2017, and its financial performance and its cash flows for the year ended September 30, 2018 and the period from inception on May 9, 2017 to September 30, 2017 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about Inflection Resources Ltd.'s ability to continue as a going concern.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
November 5, 2019

MOORE

An independent firm associated with Moore Global Network Limited

Inflection Resources Ltd.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	September 30, 2018	September 30, 2017
ASSETS		
Current assets		
Cash	$ 525,413	$ -
Other receivables	14,734	-
Total current assets	**540,147**	**-**
Non-current assets		
Refundable security deposits (Note 5)	127,413	-
Exploration and evaluation assets (Notes 6, 8 and 9)	1,064,031	-
TOTAL ASSETS	**$ 1,731,591**	**$ -**
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Notes 7 and 9)	$ 103,011	$ 692
Total liabilities	**103,011**	**692**
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	1,725,001	1
Deficit	(96,421)	(693)
SHAREHOLDERS' EQUITY	**1,628,580**	**(692)**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 1,731,591**	**$ -**

Nature of operations and going concern - Note 1

Subsequent events - Note 12

APPROVED ON BEHALF OF THE BOARD ON NOVEMBER 5, 2019:

"Alistair Waddell" — DIRECTOR

"Tero Kosonen" — DIRECTOR

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

Inflection Resources Ltd.
Consolidated Statements of Comprehensive Loss
(Expressed in Canadian dollars)

		For the year ended September 30, 2018		For the period ended September 30, 2017
Expenses				
Advertising	$	1,601	$	-
Bank fees		1,259		-
Consulting fees (Notes 8 and 9)		85,000		-
Foreign exchange		(2,498)		-
Office and miscellaneous		2,762		693
Professional fees		4,827		-
Travel and entertainment		2,777		-
Total loss and comprehensive loss	**$**	**95,728**	**$**	**693**
Loss per share - basic and diluted	**$**	**0.01**	**$**	**693.00**
Weighted average number of common shares outstanding - basic and diluted		**16,288,542**		**1**

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

Inflection Resources Ltd.
Consolidated Statements of Changes in Equity
For the year ended September 30, 2018
(expressed in Canadian dollars)

	Number of shares	Share Capital	Deficit	Total
Balance as at May 9, 2017 (inception)	-	$ -	$ -	$ -
Share issued on incorporation	1	1	-	1
Net loss for the period	-	-	(693)	(693)
Balance as at September 30, 2017	1	$ 1	$ (693)	$ (692)
Shares issued for services (Note 8)	3,300,000	16,500	-	16,500
Shares issued pursuant to assignment agreement (Notes 6, 8 and 9)	15,895,000	500,000	-	500,000
Shares issued for exploration and evaluation assets (Notes 6 and 8)	2,805,000	280,500	-	280,500
Shares issued for private placements	6,215,000	928,000	-	928,000
Net loss for the year	-	-	(95,728)	(95,728)
Balance as at September 30, 2018	**28,215,001**	**$ 1,725,001**	**$ (96,421)**	**$ 1,628,580**

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

Inflection Resources Ltd.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	For the year ended September 30, 2018	For the period ended September 30, 2017
Operating activities		
Net loss	$ (95,728)	$ (693)
Non-cash items:		
Consulting fees	16,500	-
Changes in non-cash working capital items:		
Other receivables	(14,734)	-
Accounts payable and accrued liabilities	102,319	692
Net cash flows provided by (used in) operating activities	**8,357**	**(1)**
Investing activities		
Purchase of exploration and evaluation assets	(410,944)	-
Net cash flows used in investing activities	**(410,944)**	**-**
Financing activities		
Proceeds from private placements	928,000	1
Net cash flows provided by financing activities	**928,000**	**1**
Change in cash	525,413	-
Cash, beginning	-	-
Cash, ending	**$ 525,413**	**$ -**
Supplemental disclosures:		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -
Non-cash investing and financing activities:		
Shares issued for refundable security deposits	$ 127,413	$ -
Shares issued for exploration and evaluation assets	$ 653,087	$ -

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Inflection Resources Ltd. (the "Company") was incorporated pursuant to the provisions of the *British Columbia Business Corporations Act* on May 9, 2017 and its principal business activity is the exploration and evaluation of mineral properties located in New South Wales and Queensland, Australia. The Company's head office and registered and records office address is Suite 1100 – 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

The Company has two wholly-owned subsidiaries: Australian Consolidated Gold Holdings Pty Ltd. and ACGH II Pty Ltd. The accounts of the subsidiaries are consolidated with the Company.

The business of mining exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead, pay its debts and liabilities, and maintain its exploration and evaluation assets. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets. The carrying value of the Company's exploration and evaluation assets may not reflect current or future values.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at September 30, 2018, the Company has not yet achieved profitable operations, incurred a net loss of $95,728 (2017 - $693) in the current year and has an accumulated deficit of $96,421. The ability of the Company to continue as a going concern and meet its commitments as they become due, including exploration of its exploration and evaluation assets, is dependent on the Company's ability to obtain the necessary financing. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. If the going concern assumption was not appropriate for these financial statements, adjustments would be necessary in the carrying values of assets, liabilities, reported income and expenses and the statement of financial position classifications used. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit and loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

Critical accounting estimates and judgments

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. Actual results could differ from these estimates.

2. BASIS OF PREPARATION (continued)

Foreign Currency Translation

The functional and presentation currency of the Company is the Canadian dollar. The individual financial statements of each subsidiary are presented in the currency of the primary economic environment in which the entity operates (its functional currency). Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange gains and losses on translation are included in profit and loss.

Going Concern Assumption

In determining whether it is appropriate for the Company to be reported as a going concern, management exercises judgement, having undertaken appropriate enquiries and having considered the business activities, principal risks and uncertainties.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgment, which has the most significant effect on the amounts recognized in the financial statements.

i) The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized and the carrying value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

ii) The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial Instruments

Financial Assets

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial Assets (continued)

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit or loss. Regular way purchases and sales of FVTPL financial assets are accounted for at the trade date. The Company's cash is classified as FVTPL.

Financial assets classified as held-to-maturity are initially recognized at fair value and subsequently are measured at amortized cost using the effective interest rate method. Any changes to the carrying amount, including impairment losses, are recognized through profit or loss. The Company has no assets classified as held-to-maturity.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income or loss, except for losses in value that are considered other than temporary. The Company has no assets classified as available-for-sale.

Financial assets classified as loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. The Company's accounts receivable are classified as loans and receivables.

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

Financial Liabilities

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

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held-for-trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through profit or loss. The Company has not classified any financial liabilities as FVTPL.

Fair Value Hierarchy

The Company categorizes financial instruments measured at fair value at one of three levels according to the reliability of the inputs used to estimate fair values. The fair value of financial assets and financial liabilities in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Financial assets and financial liabilities in Level 2 are valued using inputs other than quoted prices for which all significant inputs are based on observable market data. Level 3 valuations are based on inputs that are not based on observable market data.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash and cash equivalents consist of bank deposits or highly liquid investments that are readily convertible to known amounts of cash with original maturities of 90 days or less.

Exploration and Evaluation Assets ('E&E")

Once the legal right to explore a property has been acquired, costs directly related to E&E expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs and payments made to contractors during the exploration phase. Costs not directly attributable to E&E activities, including general and administrative overhead costs, are expensed in the period in which they occur. The costs are accumulated by exploration area and are not depleted pending determination of technical feasibility and commercial viability.

From time to time, the Company may acquire or dispose of properties pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as E&E assets or recoveries when the payments are made or received.

When a project is deemed to no longer have commercially viable prospects to the Company, E&E expenditures in respect of that project are deemed to be impaired. As a result, those E&E expenditures, in excess of estimated recoveries, are written off to the statement of comprehensive loss. The Company assesses E&E assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Impairment of Non-Financial Assets

At the end of each reporting period the carrying amounts of the assets are reviewed to determine whether there is any indication that those assets are impaired. Impairment is recognized when the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the asset's 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. The impairment loss is recognized in the profit or loss in the period the impairment is determined.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount had no impairment loss been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

Reclamation Obligations

The Company recognizes the fair value of a legal or constructive liability for a reclamation obligation in the period in which it is incurred and when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. Changes in the liability for a reclamation obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and a financing expense in the statement of comprehensive income or loss. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease to the carrying amount of the liability and the related long-lived asset.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants and options are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity.

Share-based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is recognized in profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured before and after the modification, is also charged to the profit or loss over the remaining vesting period. Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

All equity-settled share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid. Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest, except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Loss per Share

Basic loss per common share is computed by dividing the net loss for the year by the weighted average number of common shares outstanding for the period. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. The treasury stock method is used to determine the dilutive effect of stock options and other dilutive instruments. Under the treasury stock method, the weighted average number of common shares outstanding used in the calculation of the diluted per share amount assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the period. When a loss is incurred during the period, basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities, and their respective tax basis. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the enactment date. Deferred tax assets also result from unused loss carry-forwards, resource related tax pools and other deductions. 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.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risk and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

New Standards and Interpretations

The following new standard has been issued by the IASB or the IFRIC that are mandatory for accounting periods beginning January 1, 2018 or later periods:

IFRS 9, Financial Instruments, addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 Financial Instruments; Recognition and Measurement for debt instruments with a new mixed measurement model having only two categories; amortized cost and fair value through profit or loss. Requirements for financial liabilities are largely carried forward from the existing requirements in IAS 39 except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income. The effective date of this new standard will be for periods beginning on or after January 1, 2018 with early adoption permitted. The Company has assessed that this standard will not have a material impact on its financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company’s financial statements.

4. FINANCIAL RISKS AND CAPITAL MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in a bank account held with a major bank in Canada. The risk is managed by using a major bank that are a high credit quality financial institution as determined by rating agencies. The Company has secondary exposure to credit risk on its receivables. This risk is minimal as receivables consist primarily of refundable goods and services taxes.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate as they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to significant foreign currency risk.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company assessed its liquidity risk as high.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to interest rate risk.

Capital Management

The Company defines its capital as shareholders' equity. It manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. 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 is dependent upon external financing or the sale of assets to fund activities. In order to carry future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. 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 approach to capital management has not changed since the prior year, and the Company is not subject to externally imposed capital requirements.

(Expressed in Canadian dollars)

5. REFUNDABLE SECURITY DEPOSITS

As at September 30, 2018, the Company provided refundable security deposits, each representing a mineral property exploration license held with the Government of New South Wales Department of Planning and Environment as follows:

	AI Project	Northern NSW Project	Total
Refundable security deposits	**$ 39,204**	**$ 88,209**	**$ 127,413**

These security deposits were acquired pursuant to the assignment agreements with Ore Capital Partners Ltd. ("Ore Capital"), as described in Note 6(a), with each deposit valued at AUD$10,000 (CDN$9,801) per claim held.

6. EXPLORATION AND EVALUATION ASSETS

As at September 30, 2018, the Company's exploration and evaluation assets consisted of cumulative expenditures incurred as follows:

	AI Project	Northern NSW Project	Carron Project	Total
Acquisition costs:				
Balance, beginning of year	$ -	$ -	$ -	$ -
Additions	157,337	424,869	95,214	677,420
Balance, end of year	157,337	424,869	95,214	677,420
Deferred exploration costs:				
Balance, beginning of year	-	-	-	-
Additions for the year:				
Administration and maintenance	3,728	2,603	-	6,331
Geophysics	-	146,896	-	146,896
Geological services (Note 9)	74,489	87,002	-	161,491
Claim management fees	10,762	61,131	-	71,893
Total additions for the year	88,979	297,632	-	386,611
Balance, end of year	88,979	297,632	-	386,611
Balance, September 30, 2018	**$ 246,316**	**$ 722,501**	**$ 95,214**	**$ 1,064,031**

Artificial Intelligence, Northern New South Wales and Carron Projects

On December 31, 2017, the Company entered into an assignment agreement with Ore Capital whereby the rights and obligations of certain agreements were assigned to the Company in exchange for 15,895,000 common shares of the Company with a fair value of $500,000 (Notes 8 and 9). The assets subject to these agreements constitute the Artificial Intelligence ("AI") Project (Note 6(a)), the Northern New South Wales Project (Note 6(b)) and the Carron Project (Note 6(c)) as more fully described below. The $500,000 paid, less the $127,413 amount recognized as refundable securities deposits, was allocated as follows: $157,337 to the AI Project, $120,036 to the Northern NSW Project and $95,214 to the Carron Project.

6. EXPLORATION AND EVALUATION ASSETS (continued)

a) AI Project (New South Wales)

On December 31, 2017, the Company took assignment of an Exploration Alliance Agreement (the “Agreement”) dated May 1, 2017 whereby the Company acquired the rights from the Licensor to use proprietary neural network data to assist in targeting potential projects in the Lachlan Fold Belt located primarily in New South Wales, Australia for a three year term ending May 1, 2020 (the “License Period”). Under the terms of the Agreement, the Company agreed to the following consideration and commitments:

1. The Company shall make payments in US dollar currency as follows:

    - US$20,000 upon receipt of the data (paid);
    - US$20,000 within 60 days of the date of the Agreement (paid); and
    - US$20,000 within 120 days of the date of the Agreement (paid).

2. During the License Period, the Company will incur at least US$250,000 in exploration expenditures within the area covered by the proprietary data.

3. The Company will pay the Licensor a fee of US$10,000 for any Project Area selected by the Company, as defined in the Agreement, within seven days of the Project Area becoming effective.

4. The Company will pay the Licensor a fee equal to 5% of all expenditures incurred on any Project Area, as defined in the Agreement.

5. For each mine established within a Project Area, the Licensor will receive a 2.0% net smelter royalty of which the Company may purchase 0.5% for US$1,000,000 at any time.

6. Upon expiry of the License Period, the Company will return the proprietary data to the Licensor along with the right, title and interest in any mineral properties within the area covered by the proprietary data that have not been designated as Project Areas. As at September 30, 2018, the Company has acquired four exploration licenses using the proprietary data but has not designated any Project Areas.

7. Subsequent to the License Period and until May 1, 2023, the Company may acquire an interest in a mineral property within the area covered by the proprietary data by paying a 5% fee on all quarterly exploration expenditures incurred on the property by way of cash or shares to the Licensor, terminating on the date a decision to mine is made.

8. Subsequent to May 1, 2023, the Company may acquire an interest in a mineral property within the area covered by the proprietary data with no further compensation to the Licensor.

On April 1, 2018, the Company and the Licensor entered into a supplemental agreement whereby the Company agreed to pay CDN$60,000 to exclude certain properties from the area covered by the proprietary data. On February 14, 2019, the Company settled the amount owing through the issuance of 300,000 common shares to the Licensor (Note 12(b)).

6. EXPLORATION AND EVALUATION ASSETS (continued)

b) Northern NSW Project (Northern New South Wales)

On December 31, 2017, the Company took assignment of a Binding Term Sheet (the "Term Sheet") dated June 6, 2017 whereby the Company agreed to acquire 100% interest in exploration licenses and applications (the "Licenses") in Northern New South Wales, Australia for the following consideration and commitments:

1. The Company shall make payments in Australian dollar currency as follows:

   - AUD$15,000 upon execution of the Term Sheet (paid);
   - AUD$10,000 upon lodgement of the Licenses (paid); and
   - AUD$180,000 for the cost of lodging and acquiring the Licenses (paid).

2. The Company shall incur no less than AUD$500,000 (completed) in exploration expenditures on the Licenses on or before June 6, 2018.

3. The Company shall set up an Australian private company (the "Holdco") to hold the Licenses and pay a success fee to the Vendor of AUD$5,000 per License up to a maximum of AUD$60,000, payable half in cash and half in shares upon the Company going public.

4. The Holdco will enter into a Royalty Deed with the Vendor for a 2% net smelter return royalty.

On July 1, 2018, the Company and the Vendor entered into a superseding agreement (the "Superseding Agreement") that terminated the remaining terms of the original Term Sheet and replaced them with the following:

1. The Company shall make payment in Australian dollar currency of AUD$25,000 (accrued).

2. The Company shall issue 2,805,000 common shares of the Company (issued) (Note 8(c)(IV)).

3. The Company shall pay a 2% net smelter return royalty to the Vendor, of which the Company may purchase 1% for AUD$3,000,000 at any time.

4. The Company shall pay a success fee to the Vendor upon the successful listing of the Company's common shares on a public stock exchange, or it being taken public in any other manner, of AUD$5,000 per License up to a maximum of AUD$60,000, payable half in cash and half in shares of the Company at a deemed price of the greater of $0.05 per share or the 30-day volume weighted average price.

As of September 30, 2018, the Company has acquired nine exploration Licenses, subject to the payments under the Superseding Agreement.

6. EXPLORATION AND EVALUATION ASSETS (continued)

c) Carron Project (Queensland)

On December 31, 2017, the Company took assignment of an Exploration Farm-In Agreement (the "Farm-In Agreement") dated March 15, 2017 whereby the Company may earn up to a 100% participating interest in a Joint Venture to acquire, explore and develop an exploration license in Queensland, Australia. Under the terms of the Farm-In Agreement, the Company agreed to the following consideration and commitments:

1. The Company may elect to earn 15% of the issued share capital in the Optionor by incurring no less than AUD$110,000 (incurred) on or before December 31, 2017, including the completion of an airborne magnetics survey by no later than September 20, 2017 (completed) and a reimbursement of AUD$25,000 (paid) for costs already incurred by the Optionor, in lieu of acquiring any participating interest in the Joint Venture.

2. The Company may earn a 50% participating interest by incurring no less than AUD$350,000 (the "Minimum Expenditure") on or before December 31, 2018 (the "Initial Earn-in Date"), including the completion of an airborne magnetics survey and a reimbursement of AUD$50,000 (paid) for costs already incurred by the Optionor (the "Stage 1 Earn-in").

3. The Company may earn a further 20% interest to bring its participation interest to 70% if it elects within two years of the Initial Earn-in Date to incur a further AUD$700,000 in mineral exploration expenditures, with a substantial portion being the cost of drilling (the "Stage 2 Earn-in").

4. Following the Stage 2 Earn-in Date, the Company may elect at its sole discretion to either:

   i) Acquire a further 30% interest to bring its participation interest to 100% by issuing a number of common shares of the Company to the Optionor based on a formula determined by an independent valuator; or

   ii) Acquire a further 20% interest to bring its participation interest to 90% by completing a feasibility study within four years of the Stage 2 Earn-in Date (the "Stage 3 Earn-in"). Where the Company achieves a Stage 3 Earn-in, the Company shall enter into a Royalty Deed agreement with the Optionor. Within 60 days of the Stage 3 Earn-in Date, the Optionor may elect to contribute to expenditure in proportion to its 10% participating interest in a bankable feasibility study and if the Optionor does not make such election, then its 10% interest shall be converted into a 2% royalty.

Subsequent to year end, the parties amended the Farm-In Agreement to extend the date by which the Company must complete the Minimum Expenditure from December 31, 2018 to September 20, 2019 (Note 12(a)).

d) Marra Copper Project (Northern New South Wales)

On September 6, 2018, the Company entered into a Term Sheet (the "Term Sheet") with an arm's length party to acquire a 100% interest, subject to a 2% net smelter return royalty of which the Company may purchase 1% for AUD$2,000,000 at any time, in two exploration licenses in northern New South Wales. Under the terms of the Term Sheet, the Company agreed to the following consideration and commitments:

1. The Company shall make payment of AUD$30,000 upon execution of the Term Sheet.

2. The Company shall pay AUD$500,000 in cash or common shares of the Company upon completion of a pre-feasibility study.

3. The Company shall pay AUD$2,000,000 in cash or common shares of the Company upon completion of a positive feasibility study.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

d) Marra Copper Project (Northern New South Wales) (continued)

4. The Company shall pay AUD$6,000,000 upon the Company's decision to commence construction of a mine.

5. The Company shall complete a minimum of two drill holes, one for each exploration license with the first hole to be completed by February 16, 2019.

Subsequent to year end, the Company entered into a definitive asset purchase and sale agreement to acquire 100% of the issued and outstanding shares of the company that holds these two exploration licenses for consideration of AUD$30,000, subject to the completion of satisfactory due diligence (Note 12(d)).

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		September 30, 2018		September 30, 2017
Accounts payable (Note 9)	$	86,011	$	692
Accrued liabilities		17,000		-
	$	**103,011**	**$**	**692**

8. SHARE CAPITAL

a) Authorized: an unlimited number of common shares without par value.

b) Issued: as at September 30, 2018, there are 28,215,001 (2017: 1) common shares issued and outstanding.

c) Share Issuances

Share capital transactions were as follows:

<u>Period ended September 30, 2017</u>

On May 9, 2017, the Company issued one common share valued at $1 on incorporation of the Company.

<u>Year ended September 30, 2018</u>

I) On December 31, 2017, the Company issued 15,895,000 common shares with a fair value of $500,000 based on the assets acquired pursuant to the assignment agreement with Ore Capital (Note 6);
II) On January 4, 2018, the Company issued 2,200,000 common shares with a fair value of $11,000 to the CEO of the Company for consulting services (Note 9(a));
III) On January 4, 2018, the Company issued 1,100,000 common shares with a fair value of $5,500 to the VP of Exploration for geological consulting services;
IV) On June 4, 2018, the Company completed a private placement consisting of 3,150,000 common shares priced at $0.10 for total proceeds of $315,000;
V) On July 1, 2018, the Company issued 2,805,000 common shares with a fair value of $280,500 to the Vendors of the Northern NSW Project pursuant to the superseding agreement (Note 6(b)); and
VI) On July 4, 2018, the Company completed a private placement consisting of 3,065,000 common shares priced at $0.20 for total proceeds of $613,000.

(Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

a) Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer, the chief financial officer and the vice president of exploration of the Company. Key management personnel compensation is comprised of the following:

	September 30, 2018	September 30, 2017
Consulting fees	$ 55,000	$ -
Geological consulting capitalized to exploration and evaluation assets	118,750	-
	$ 173,750	**$ -**

During the year ended September 30, 2018, the Company incurred $30,000 (2017: $nil) in consulting fees and $90,000 (2017: $nil) in geological consulting fees payable to a company controlled by the CEO of the Company.

During the year ended September 30, 2018, the Company incurred $10,000 (2017: $nil) in consulting fees payable to a company controlled by the CFO of the Company.

During the year ended September 30, 2018, the Company incurred $15,000 (2017: $nil) in consulting fees payable to a company controlled by a director of the Company.

During the year ended September 30, 2018, the Company incurred $28,750 (2017: $nil) in geological consulting fees and benefits payable to a company controlled by the VP Exploration of the Company.

b) Related Party Transactions

During the year ended September 30, 2018, the Company entered into the following transactions with related parties (including companies controlled and/or owned by related parties) not disclosed elsewhere in the financial statements:

On December 31, 2017, the Company issued 15,895,000 common shares with a fair value of $500,000 to Ore Capital, a significant shareholder of the Company, pursuant to the assignment agreement described in Note 6.

The Company entered into a Strategic Consulting Agreement with Ore Capital effective July 1, 2018 for a twelve month term with a provision for automatic renewal for an additional consecutive twelve month term unless 30 days written notice of termination is provided. As compensation for the services provided, Ore Capital received a monthly fee of $10,000. During the year ended September 30, 2018, the Company incurred $30,000 (2017: $nil) in consulting fees payable to Ore Capital. Subsequent to year end, the parties amended the terms of the agreement (Note 12(g)).

Included in accounts payable and accrued liabilities at September 30, 2018 is $77,399 (2017 - $693) due to related parties (Note 7).

(Expressed in Canadian dollars)

10. INCOME TAXES

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

	September 30, 2018	September 30, 2017
Net Loss	$ (95,728)	$ (693)
Statutory tax rate	27%	26%
Expected income tax recovery	(25,847)	(180)
Permanent differences	183	-
Impact of tax rate change	-	(7)
Change in unrecognized deferred income tax assets	25,664	187
	$ -	**$ -**

The significant components of deferred income tax assets and liabilities as at September 30, 2018 and 2017, after applying enacted income tax rates, are as follows:

	September 30, 2018	September 30, 2017
Net operating loss carryforward	$ 25,851	$ 187
Unrecognized deferred income tax assets	(25,851)	(187)
	$ -	**$ -**

The Company has net operating losses which may be carried forward to apply against future year taxable income, subject to the final determination by taxation authorities, expiring in the following years:

	Non-capital Losses
2037	$ 693
2038	95,051
	$ 95,744

As future taxable profits of the Company are uncertain, no deferred tax asset has been recognized. As at September 30, 2018, the Company has approximately $96,000 in non-capital losses that can be offset against taxable income in future years which begin expiring at various dates commencing in 2037. The potential future tax benefit of these losses has not been recorded as a full-future tax asset valuation allowance has been provided due to the uncertainty regarding the realization of these losses.

(Expressed in Canadian dollars)

11. SEGMENTED INFORMATION

The Company has one operating segment, the exploration of mineral properties, and two geographic segments, with all current exploration activities being conducted in Australia.

	September 30, 2018		
	Canada	**Australia**	**Total**
Current assets	$ 530,940	$ 3,707	$ 534,647
Refundable security deposits	-	127,413	127,413
Exploration and evaluation assets	-	1,064,031	1,064,031
Total assets	**$ 530,940**	**$ 1,195,151**	**$ 1,726,091**

12. SUBSEQUENT EVENTS

a) Carron Project

On December 20, 2018, the Company entered into an amendment agreement to the Joint Venture agreement dated March 15, 2017 described in Note 6(c). Under the terms of the amendment agreement, the date by which the Company must complete the Minimum Expenditure is extended from December 31, 2018 to September 20, 2019 with the majority to be spent by June 20, 2019. The extension is conditional upon the Company providing a cash advance of AUD$150,000 to the Optionor on or before March 31, 2019 (paid) with the balance of the exploration funds required to complete the Minimum Expenditure be advanced to the Optionor for exploration purposes on or before June 20, 2019. Subsequent to this date, the Company has entered into discussions for a further extension and has come to an agreement in principle to extend this date.

b) AI Project

On February 14, 2019, the Company issued 300,000 common shares at $0.20 per share to settle the amount of $60,000 owing under the supplemental agreement dated April 1, 2018 per Note 6(a).

c) Private Placement

On February 20, 2019, the Company completed a private placement consisting of 50,000 common shares priced at $0.20 for total proceeds of $10,000.

d) Marra Copper Project

On February 26, 2019, the Company entered into a definitive asset purchase and sale agreement for the two exploration licenses optioned under the term sheet dated September 6, 2018 described in Note 6(d). Under the asset purchase and sale agreement, the Company has agreed to acquire 100% of the issued and outstanding shares of the company that holds these two exploration licenses for consideration of AUD$30,000, subject to the completion of satisfactory due diligence. In addition, the vendor will retain a 2% net smelter royalty of which the Company may acquire 1% for AUD$2,000,000 at any time, and the Company agreed to make success payments to the vendor within 60 days of the achievement of certain events as follows:

- AUD$500,000 in cash or common shares of the Company upon completion of a pre-feasibility study;
- AUD$2,000,000 in cash or common shares of the Company upon completion of a feasibility study; and
- AUD$6,000,000 on the decision to commence construction of a mine.

12. SUBSEQUENT EVENTS (continued)

e) Stock Options

On March 21, 2019, the Company granted 2,210,000 incentive stock options exercisable at $0.20 per common share until March 21, 2024 to various directors, officers and consultants. On September 28, 2019, 200,000 of these stock options were cancelled.

f) Private Placement

On April 5, 2019, the Company completed a private placement consisting of 2,535,000 common shares priced at $0.30 for total proceeds of $760,500. Ore Capital subscribed for 500,000 shares. A finder's fee of 30,000 common shares valued at $9,000 was paid on a portion of the financing.

g) Strategic Consulting Agreement

On September 1, 2019, the Company amended the Strategic Consulting Agreement with Ore Capital referenced in Note 9(b) such that the monthly fee was reduced to $5,000 and the term set to expire on February 29, 2020.

SCHEDULE "B"
Management's Discussion and Analysis of the Company
for the fiscal years ended September 30, 2019 and September 30, 2018
and the three month period ended December 31, 2019

[*See attached*]

INFLECTION RESOURCES LTD.

Interim MD&A – Quarterly Highlights

For the three months ended December 31, 2019

GENERAL

The following discussion and analysis of the operations, results, and financial position of Inflection Resources Ltd. ("the Company"), for the three months ended December 31, 2019, should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the three months ended December 31, 2019 together with the audited consolidated financial statements for the year ended September 30, 2019. Unless otherwise noted, amounts are presented in Canadian dollars.

DATE

This Interim MD&A – Quarterly Highlights ("MD&A") covers the three months ended December 31, 2019 and was prepared on April 27, 2020 ("Report Date").

MANAGEMENT'S RESPONSBILITY FOR FINANCIAL STATEMENTS

The Company's management is responsible for the presentation and preparation of the financial statements on which this discussion and analysis is based. The financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and are reported in Canadian Dollars.

FORWARD LOOKING STATEMENTS

Certain information contained or incorporated by reference in this MD&A, including any information as to our future financial or operating performance, constitutes "forward-looking statements". All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by us, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or other commodities; changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada and in other countries; business opportunities that may be presented to, or pursued by, us; operating or technical difficulties in connection with mining or development activities; employee relations; litigation; the speculative nature of exploration and development, including the risks of obtaining necessary licenses and permits; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks. Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements.

We disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

1. CORE BUSINESS

Inflection Resources Ltd. (formerly 1118192 B.C. Ltd.) was incorporated under the *Business Corporations Act* (British Columbia) on May 9, 2017 and its principal business activity is the exploration and evaluation of mineral properties hosting gold, copper and base metals in New South Wales and Queensland, Australia. As of the date of this report, the Company has three wholly owned subsidiaries: Australian Consolidated Gold Holdings Pty Ltd ACN 619 975 405, ACGH II Pty Ltd ACN 623 704 898, and Romardo Copper (NSW) Pty Ltd ACN 605 976 565.

The Company holds interests in the following mineral resource projects:

- **Northern New South Wales** project that consists of fourteen 100% owned exploration licences in the Lachlan Fold Belt region of New South Wales as of December 31, 2019. As of the date of this report, the Company has increased its holdings to 17 exploration licences and two additional exploration licence applications.
- **Artificial Intelligence** project in which the Company has acquired the rights to use proprietary database of exploration targets generated in the Lachlan Fold Belt region of New South Wales. The Company has acquired five exploration licences using the proprietary data as of December 31, 2019 and the date of this report but has not designated any Project Areas.
- **Carron** project in which the Company has entered into a farm-in agreement to earn up to a 100% participating interest in a joint venture exploration licence in Queensland. As of the date of this report, the Company has earned an initial 50% interest in the exploration licence.

2. FINANCIAL CONDITION

As at December 31, 2019, the Company, incurred a net loss of $101,010 (December 31, 2018 - $75,627) in the current period and has an accumulated deficit of $972,920. The ability of the Company to continue as a going concern and meet its commitments as they become due, including exploration of its exploration and evaluation assets, is dependent on the Company's ability to obtain the necessary financing. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to raise financing and generate future profitable operations. As the Company is in the exploration stage, the recoverability of costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties. The Company will periodically have to raise funds to continue operations, and although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

The Company had a working capital surplus of $1,005,211 at December 31, 2019 compared to a surplus of $206,833 at September 30, 2019.

Cash was $1,204,623 at December 31, 2019 compared to $455,290 at September 30, 2019. The Company's sources and uses of cash are discussed under "Cash Flows" below.

Other receivables of $34,619 at December 31, 2019 (September 30, 2019 - $29,699) consist of GST input tax credits.

Prepaid expenses and deposits of $41,586 at December 31, 2019 (September 30, 2019 - $39,915) consist of a $10,000 term deposit as security on a corporate credit card and $31,586 in advance payments on exploration licences.

Refundable security deposits of $173,318 at December 31, 2019 (September 30, 2019 - $155,649) were advanced on the Company's mineral exploration licences as follows: Northern New South Wales project for $127,708 (AUD $130,000) and AI project for $45,610 (AUD $50,000).

Exploration and evaluation assets of $2,078,827 at December 31, 2019 (September 30, 2019 - $1,965,136) consist of acquisition costs and expenditures on the Company's Northern New South Wales ($1,288,887), AI ($534,264) and Carron ($255,686) projects, which are discussed under "Major Operating Milestones" below.

Accounts payable and accrued liabilities of $275,617 at December 31, 2019 (September 30, 2019 - $318,071) are unsecured amounts. Included in accounts payable and accrued liabilities at December 31, 2019 is $241,774 (September 30, 2019 - $246,925) owing to directors, officers, and shareholders who hold greater than a 10% interest in the Company for unpaid services and expenses, which are non interest bearing and payable on demand.

3. FINANCIAL PERFORMANCE

The Company's corporate and administrative head office is located in Vancouver, Canada and it is primarily engaged in acquisition, exploration and evaluation activities in New South Wales and Queensland, Australia.

Because the Company is in the exploration stage, it did not earn any significant revenue and its expenses relate to the costs of operating a private company of its size. Net and comprehensive loss for the three months ended December 31, 2019 was $101,010 (three months ended December 31, 2018 - $75,627) or loss per share of $0.00 (three months ended December 31, 2018 - $0.00 loss per share).

The Company's expenses are as follows:

	Three months ended December 31, 2019 $	**Three months ended December 31, 2018 $**
Consulting fees	49,500	51,625
Investor communication	203	1,792
Office and miscellaneous	6,773	1,405
Professional fees	12,130	2,140
Salaries and benefits	3,871	-
Travel and meals	25,860	18,787
	98,337	**75,749**

Other items are as follows:

	Three months ended December 31, 2019 $	**Three months ended December 31, 2018 $**
Gain (loss) on foreign exchange	(2,673)	122
	(2,673)	**122**

3.1 Total Expenses for the Three Months Ended December 31, 2019

Total expenses for the three months ended December 31, 2019 were $98,337 compared to total expenses of $75,749 recorded for the 2018 comparative period.

Consulting fees were $49,500 for the three months ended December 31, 2019 and consisted of $34,500 paid to executive officers and $15,000 for the provision of strategic consulting services (including office and administrative support services). See section 11 Related Party Transactions. Consulting fees were $51,625 for the three months ended December 31, 2018 and consisted of $21,625 paid to executive officers and $30,000 for the provision of strategic consulting services.

Investor communication expenses of $203 were recorded for the three months ended December 31, 2019 compared to $1,792 recorded for the 2018 comparative period and consisted of expenditures on marketing materials.

Office and miscellaneous expenses of $6,773 were recorded for the three months ended December 31, 2019 compared to $1,405 recorded for the 2018 comparative period. Office and miscellaneous expenses consist of bank charges, computer and internet, office supplies and telephone. The Company increased its exploration and business development activities throughout 2019 and accordingly office and miscellaneous expenses increased in support thereof.

Professional fees of $12,130 were recorded for the three months ended December 31, 2019 and consisted of $1,700 for tax work and $10,430 for legal fees. Professional fees of $2,140 recorded for the 2018 comparative period consisted of $705 for accounting services and $1,435 for legal fees.

Salaries and benefits of $3,871 were recorded for the three months ended December 31, 2019 (three months ended December 31, 2018 - $nil) and consisted of executive salary and group health benefits.

Travel and meals expense of $25,860 was recorded for the three months ended December 31, 2019 compared to expenses of $18,787 recorded for the 2018 comparative period. Corporate travel was undertaken to develop the business and communicate the Company's activities to potential shareholders.

3.2 Other Items for the Three Months ended December 31, 2019

Foreign exchange loss of $2,673 for the three months ended December 31, 2019 was realized on transactions denominated in Australian dollars, the functional currency of the Company's subsidiaries. During the three months ended December 31, 2018, the Company realized a gain on foreign exchange of $122.

4. CASH FLOWS

The Company is still in the exploration and development stage and as such does not earn any significant revenue. Total cash used in operating activities was $150,055 for the three months ended December 31, 2019 compared to cash provided of $29,745 for the 2018 comparative period. The Company incurred a net loss of $101,010 with changes to non-cash working capital items which resulted in operating cash used of $150,055.

Cash used in investing activities was $131,360 for the three months ended December 31, 2019 and consisted of advances for refundable security deposits of $17,669 and mineral property expenditures of $113,691. Cash used in investing activities was $322,383 for the three months ended December 31, 2018 and consisted of mineral property expenditures.

Cash provided by financing activities was $1,030,748 for the three months ended December 31, 2019 and consisted of $988,900 in proceeds from private placements and $77,000 in share subscriptions received, less $35,152 in share issuance costs. On December 31, 2019, the Company completed a non-brokered private placement of 5,768,638 units priced at $0.22 for gross proceeds of $1,269,100 of which $280,200 was received during the previous fiscal year. Finder's fees of $35,152 were paid in connection with this private placement.

The net change in cash for the three months ended December 31, 2019 was an increase of $749,333 (three months ended December 31, 2018 – decrease of $292,638).

5. SELECTED ANNUAL INFORMATION

N/A

6. MAJOR OPERATING MILESTONES

6.1 Three Months ended December 31, 2019

The Company achieved the following major operating milestones during the three months ended December 31, 2019.

On November 22, 2019, the Company and the Optionors of the Carron Project amended the minimum expenditures required to earn a 50% participating interest in the Carron Project to the $297,172 advanced as of September 30, 2019 and the Company has earned a 50% participating interest in the Carron Project as of September 30, 2019.

On December 10, 2019, the Company held an Annual General Meeting of Shareholders where the five directors of the Company were elected to hold office for the ensuing year and Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, was appointed as auditor for the ensuing year. Wendell Zerb was appointed as the Chairman of the Company.

On December 19, 2019, the Company completed the first tranche of a unit private placement of 5,768,638 units at $0.22 per unit for gross proceeds of $1,269,100. Each unit consist of one share and one share purchase warrant exercisable into one share at a price of $0.30 per share for a 30 month term. A finder's fee of $35,152 was paid on a portion of the financing.

On December 19, 2019, the Company issued 3,456,818 common share purchase warrants, with each warrant exercisable into one share at a price of $0.30 per share for a 30-month term, to the subscribers of the private placement which closed on April 5, 2019.

6.2 Subsequent to December 31, 2019 to the Date of this Report

The Company achieved the following major operating milestones subsequent to December 31, 2019 to the date of this report.

On January 31, 2020, the Company completed the final tranche of a unit private placement of 6,264,545 units at $0.22 per unit for gross proceeds of $1,378,200. Each unit consist of one share and one share purchase warrant exercisable into one share at a price of $0.30 per share for a 30-month term. A finder's fee of $12,870 was paid on a portion of the financing.

The Company granted one of the investors of the final tranche the right to acquire additional shares of the Company at a price of $0.01 per share such that the total average purchase price of this subscription shall be equal to the per share price of the shares issued under the Company's anticipated initial public offering ("IPO"). If the price per share of the IPO is equal to or greater than $0.22 per share then these rights shall immediately expire. These rights shall expire one year from the closing date of the final tranche of the private placement if the Company has not completed the IPO.

On February 11, 2020, the Company completed the acquisition of Romardo Copper (NSW) Pty Ltd.

On March 10, 2020, the Company granted 1,980,000 incentive stock options exercisable at $0.30 per share for a five-year term to directors, officers, and employees of the Company. The options will vest six months from the date of grant.

6.3 Exploration and Evaluation Activities for the Three Months Ended December 31, 2019

The Company is in the mineral exploration stage and as such has no revenues. Mineral interests in the form of exploration and acquisition costs totalled $2,078,827 as at December 31, 2019 (September 30, 2019 - $1,965,136). Total costs incurred on exploration and evaluation assets are summarized as follows:

	AI Project	**Northern NSW Project**	**Carron Project**	**Total**
	$	**$**	**$**	**$**
Acquisition costs:				
Balance, September 30, 2019 and December 31, 2019	217,337	424,869	95,214	737,420
Deferred exploration costs:				
Balance, September 30, 2019	292,844	785,087	149,785	1,227,716
Additions for the period:				
Claim management fees	8,745	20,661	9,134	38,540
Geophysics	-	-	1,103	1,103
Geological services	15,338	57,046	450	72,834
Travel, food and accommodation	-	1,214	-	1,214
Total additions for the period	24,083	78,921	10,687	113,691
Balance, December 31, 2019	316,927	864,008	160,472	1,341,407
Balance, December 31, 2019	**534,264**	**1,288,887**	**255,686**	**2,078,827**

6.4 Northern NSW Projects

The Northern NSW project is the Company's principal property and as of the date of this report consists of seventeen 100% owned non-surveyed non-contiguous exploration licences ("EL") and two EL applications located in the Lachlan Fold Belt region of New South Wales, Australia. Eleven of the EL were acquired pursuant to a Binding Term Sheet dated June 6, 2017 that was subsequently replaced by a Superseding Agreement dated July 1, 2018. Two of the EL were acquired pursuant to an Asset Purchase and Sale Agreement dated February 26, 2019. Four of the EL and the two EL applications were staked by the Company directly.

The Northern NSW project targets large undercover gold and gold-copper deposits. The Company currently has 21 drill-ready targets, all new with no history of drilling with the exception of Marra. The targets are located in areas of the prospective Macquarie Arc along the margins of mafic and felsic volcanics.

The following is a discussion of the exploration activities on the Northern New South Wales project during the period ended December 31, 2019 and to the date of this report.

An extensive program of community consultation and negotiation of access agreements was undertaken to enable the drilling of the proposed holes and the preparation and submission of DPIE permits to conduct the drilling program.

Inflection, through its Australian subsidiaries submitted six applications for drilling grants offered by the government of New South Wales New Frontiers Cooperative Drilling Program. In early April 2020, the

Company was advised it had been awarded three grants totaling AUD$139,685 to fund 50% of the first-pass direct drilling costs on three of our Northern NSW projects: Blackwater, Branglebar and Brewarrina.

The New Frontiers program is managed by the Geological Survey of NSW and is part of the NSW Mineral Strategy commitment to promote investment in mineral exploration. Applications are encouraged for drilling projects in relatively underexplored prospective regions, to test new geological ideas or in areas where the targets are under cover.

A further three exploration licences were applied for in the northern covered areas as a consequence of further refinement of the interpretation of open file magnetic surveys, with a further 101,400 hectares of licences and applications added to Inflection's portfolio. This work, together with similar work conducted in the previous year, resulted in the definition of 21 targets to be drill tested by a minimum of 38 holes through the post-mineral cover of the northern Macquarie Arc.

6.5 Artificial Intelligence Project – Southern NSW

The AI project is the subject of a Lachlan Fold Belt Exploration Alliance Agreement dated May 1, 2017 in which the Company agreed to acquire the rights from the Licensor to use proprietary database of exploration targets generated in the data rich southern Lachlan Fold Belt region of New South Wales. The Company has acquired five exploration licences using the proprietary data as of December 31, 2019 and the date of this report but has not designated any Project Areas. The Alliance Agreement states that if the Company does not designate such mineral properties as Project Areas by April 30, 2020, the Company's interest in such mineral properties will be transferred to the Licensor. The Company is currently seeking an extension from the Licensor to this deadline.

During the period some early stage exploration was completed over a number of targets which involved preliminary geological mapping and some wide-spaced soil sampling.

6.6 Carron Project – Queensland

The Carron project is the subject of an Exploration Farm-in Agreement dated March 15, 2017, as amended on December 20, 2018 and November 22, 2019, in which the Company agreed to earn up to a 100% participating interest in all property and assets of the joint venture established under the Farm-In Agreement (the "Joint Venture Property") to acquire, explore and develop an exploration licence in Queensland, Australia. As of the date of this report, the Company has earned an initial 50% interest in the exploration licence and controls 30 kilometres of untested northwest trending structures consisting of 11 high-priority drill targets. The Carron project targets high-grade gold along strike from the historic Croydon Goldfields.

The three months ended December 31, 2019 was spent mostly preparing for a planned upcoming drill program. Compensation agreement negotiations were initiated with two landowners. Cultural Heritage clearances were also initiated and completed with the Traditional Owners, the Tagalaka, resulting in the clearance and approval of six drill sites.

Field meetings were held with geological contractor Terra Search to formalize health, safety and environmental procedures.

6.7 Qualified Person

The Company's exploration program is directed by Carl Swensson, Vice President, Exploration, who is a "qualified person" as defined by National Instrument 43-101 and who also prepared and approved the scientific and technical information contained in this MD&A.

7. SUMMARY OF QUARTERLY RESULTS

N/A

8. LIQUIDITY

The Company's financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise equity financing and the attainment of profitable operations. In order for the Company to continue as a going concern and meet its financial obligations over the next twelve months, the Company may need to conclude an equity financing.

Cash at December 31, 2019 was $1,204,623 compared to cash of $455,290 at September 30, 2019. Working capital surplus was $1,005,211 at December 31, 2019 compared to a surplus of $206,833 at September 30, 2019. Factors that could impact on the Company's liquidity are monitored regularly and include market changes, gold price changes, and economic downturns that affect the market price of the Company's securities for the purposes of raising financing.

Other receivables of $34,619 largely consisted of GST input tax credits that are liquid in the short term.

Prepaid expenses and deposits of $41,586 at December 31, 2019 consisted of a $10,000 term deposit as security on a credit card and $31,586 in advance payments on exploration licences.

Refundable security deposits of $173,318 represented AUD $180,000 of deposits paid on exploration licences in Australia. These deposits will only be refunded if the Company drops or divests the tenements.

Accounts payable and accrued liabilities of $275,617 are unsecured, non-interest bearing and payable on demand.

Based on the above financial condition at December 31, 2019, the Company will need to raise additional financing in order to carry out its planned mineral acquisition and exploration activities in the current fiscal year.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

9. CAPITAL RESOURCES

The Company has no commitments for capital expenditures. The Company holds various mineral property agreements that will require expenditures in the current fiscal year to maintain the agreements in good standing. However, the Company may negotiate with the Licensors and Optionors to extend the payments or otherwise amend the terms of the agreements.

The Company does not have any capital resources in the form of debt, equity and any other financing arrangements.

10. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

11. RELATED PARTY TRANSACTIONS

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company, as well as the Vice President, Exploration and Corporate Secretary. Key management personnel compensation is comprised of the following:

	Three months ended December 31, 2019 $	Three months ended December 31, 2018 $
Consulting fees	34,500	21,250
Salaries and benefits	3,680	-
Geological consulting capitalized to E&E assets	52,500	48,750
	90,680	**70,000**

During the three months ended December 31, 2019, the Company entered into the following transactions with related parties:

a) Incurred $22,500 (2018 - $11,250) in consulting fees and $22,500 (2018 - $33,750) in geological consulting fees payable to Waddell Consulting Inc., a company controlled by Alistair Waddell, the CEO of the Company;

b) Incurred $12,000 (2018 - $10,000) in in consulting fees payable to Cariboo Sky Consulting Ltd., a company controlled by Alain Voisin, the CFO of the Company;

c) Incurred $30,000 (2018 - $15,000) in geological consulting fees and benefits payable to Swensson Integrated Resource Management, a company controlled by Carl Swensson, the VP Exploration of the Company;

d) Incurred $3,000 (2018 - $375) in salaries and fees payable to Sandra Wong, the Corporate Secretary of the Company; and

e) Incurred $680 in group health benefits paid on behalf of executive officers.

The Company is party to a Contract for Services dated July 1, 2018, as amended on September 1, 2019, with Ore Capital Partners Ltd. (“Ore Capital”), a significant shareholder of the Company. Ore Capital provided strategic consulting, office and administrative support services for a monthly fee of $10,000 from July 1, 2018 to August 31, 2019 that was reduced to $5,000 per month effective September 1, 2019 until being terminated on February 29, 2020.

As at December 31, 2019 included in accounts payable and accrued liabilities is $241,774 (September 30, 2019 - $246,925) due to related parties.

Subsequent to period end, the Company has executed a management agreement (the “Executive Agreement”) with Alistair Waddell (the “Executive”) for his services as Chief Executive Officer and President effective January 1, 2020 for no fixed term. As compensation for the services to be provided, the Executive will receive a monthly salary of $16,500 (the “Monthly Compensation”). The Executive Agreement may be terminated (i) by resignation by the Executive with two months advance written notice; (ii) by termination without cause by the Company at any time, with payment of severance equal to six months Monthly Compensation; (iii) by resignation by the Executive with two weeks written notice for “Good Cause,” defined as various events or circumstances which would constitute a constructive dismissal at common law, with payment of severance equal to three months Monthly Compensation; and (iv) by termination for just cause by the Company at any time, in any such event no severance is payable. If within 12 months following a change of control of the Company, (i) the Executive’s employment is terminated by the Company without cause; or (ii) the Executive resigns with or without Good Cause, then in either case, he will receive as severance an amount equal to 24 months Monthly Compensation.

Subsequent to period end, the Company has executed a consulting agreement (the “Consulting Agreement”) with Swensson Integrated Resource Management (the “Consultant”), a private company beneficially owned by Carl Swensson, effective January 1, 2020 for a two-year term. As compensation for the services to be provided, the Consultant will receive a monthly fee of AUD$16,500 (the “Monthly Compensation”). The Consulting Agreement may be terminated (i) by resignation by the Consultant with two months advance written notice; (ii) by termination without cause by the Company at any time, with payment of severance equal to four months Monthly Compensation; (iii) by resignation by the Consultant with two weeks written notice for “Good Cause,” defined as various events or circumstances which would constitute a constructive dismissal at common law, with payment of severance equal to three months Monthly Compensation; and (iv) by termination for just cause by the Company at any time, in any such event no severance is payable. If within 12 months following a change of control of the Company, (i) the Consultant’s employment is terminated by the Company without cause; or (ii) the Consultant resigns with or without Good Cause, then in either case, he will receive as severance an amount equal to 24 months Monthly Compensation.

12. FOURTH QUARTER

N/A

13. PROPOSED TRANSACTIONS

The Company is engaged in the search for potential mineral property acquisitions and financings, but there are currently no proposed asset or business acquisitions or dispositions. Other than disclosed in this Management’s Discussion and Analysis, the Company does not have any proposed transactions.

14. SIGNIFICANT CHANGES FROM PREVIOUS DISCLOSURE

N/A

15. CHANGES IN ACCOUNTING POLICY INCLUDING INITIAL ADOPTION

The Company has adopted the following new accounting standard effective October 1, 2019:

IFRS 16, Leases, replaces IAS 17 "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company’s financial statements.

16. FINANCIAL INSTRUMENTS

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.

Cash is carried at fair value using level 1 fair value measurement. The carrying value of receivables and accounts payable approximate their fair value because of the short-term nature of these instruments.

Refundable security deposits are refundable at a fixed amount in $AUD and are carried at fair value using level 1 fair value measurement, which is based on the $CDN equivalent at each balance sheet date.

16.1 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 that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in a bank account held with a major bank in Canada. The risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company has secondary exposure to credit risk on its receivables. This risk is minimal as receivables consist primarily of refundable goods and services taxes.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate as they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to significant foreign currency risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company assessed its liquidity risk as high.

Interest rate risk

Interest rate risk is the risk that fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to interest rate risk.

17. RISKS AND UNCERTAINTIES

Exploration and mining companies face many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical.

The principal activity of the Company is mineral exploration, which is inherently risky. Exploration is also capital intensive, and the Company currently has no source of income and must depend on equity financings as its main source of capital. Only the skills of its management and staff in mineral exploration and exploration financing serve to mitigate these risks and therefore are one of the main assets of the Company.

The following are the risk factors which the Company's management believes are most important in the context of the Company's business. It should be noted that this list is not exhaustive and that other risk factors may apply. An investment in the Company may not be suitable for all investors.

Competition

The Company competes with many companies that have substantially greater financial and technical resources than the Company for the acquisition of mineral properties as well as for the recruitment and retention of qualified employees.

Title Matters

Title to and the area of mining claims may be disputed. Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current state of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has No History of Operations

The Company has no history of operations and is in the early stages of exploration on its mining properties. The Company may experience higher costs than budgeted and delays which were not expected. The Company must also locate and retain qualified personnel to conduct exploration work. Further adverse changes in any one of such factors or the failure to locate and retain such personnel will have an additional adverse effect on the Company, its business and results of operations.

The Mining Industry is Speculative and of a Very High Risk Nature

Mining activities are speculative by their nature and involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The Company's activities are in the exploration stage and such exploration is subject to the risk that previously reported inferred mineralization is not economic. If this occurs, the Company's existing resources may not be sufficient to support a profitable mining operation. The Company's activities are subject to a number of factors beyond its control including intense industry competition and changes in economic conditions, including some operating costs (such as electrical power). Its operations are subject to all the hazards normally incidental to exploration, development and production of precious metals, any of which could result in work stoppages, damage to or loss of property and equipment and possible environmental damage. An adverse change in any one of such factors, hazards and risks would have a material adverse effect on the Company, its business and results of operations. This might result in the Company not meeting its business objectives.

The Company is Dependent on Various Key Personnel

The Company's success is dependent upon the performance of key personnel. The Company does not maintain life insurance for key personnel and the loss of the services of senior management or key personnel could have a material and adverse effect on the Company, its business and results of operations.

The Company's Activities might suffer Losses from or Liabilities for Risks which are not Insurable

The Company does not currently carry any form of political risk insurance, insurance for loss of or damage in respect of its equipment and property or any form of environmental liability insurance, since insurance is prohibitively expensive. The payment of any such liabilities would reduce the funds available to the Company. If the Company suffers damage to its equipment it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy.

There is Uncertainty in the Nature and Amount of the Company's Resources

While the Company has carried out, and will carry out on an annual basis, estimates of its mineral resources, this should not be construed as a guarantee that such estimates are accurate. If such estimates prove to be materially inaccurate, that would have a material and adverse effect on the Company's business and results of operations.

Pandemic Risk

The outbreak and spread of infectious diseases may have significant human, political, and economic consequences around the world, which full impact are difficult to determine. Their wide-ranging effects include financial market volatility, interest rate cuts, disrupted movement of people and goods, and diminished consumer confidence. The effects may be difficult to assess or predict with meaningful precision both generally and as an industry- or issuer-specific basis. This is an uncertain issue where actual effects will depend on many factors beyond the control and knowledge of the Company.

18. DISCLOSURE OF OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

As at December 31, 2019, the Company had 36,898,639 common shares issued and outstanding, 9,225,456 share purchase warrants exercisable at $0.30 per share until June 19, 2022 and 2,010,000 stock options exercisable at $0.20 per share until March 21, 2024.

As at April 27, 2020, the Company has 43,163,184 common shares issued and outstanding.

As at April 27, 2020, the Company has 9,225,456 share purchase warrants exercisable at $0.30 per share until June 19, 2022 and 6,264,545 share purchase warrants exercisable at $0.30 per share until July 31, 2022.

As at April 27, 2020, the Company has 2,010,000 stock options exercisable at $0.20 per share until March 21, 2024 and 1,980,000 stock options exercisable at $0.30 per share until March 10, 2025.

19. COMMITMENTS, EXPECTED OR UNEXPECTED EVENTS, OR UNCERTAINTIES

The Company is party to agreements to acquire mineral properties that are disclosed in the accompanying financial statements.

The Company is party to consulting and employment agreements that are disclosed in the accompanying financial statements.

Other than as disclosed in this MD&A and the accompanying financial statements, the Company does not have any commitments or expected events. The Company discloses various risks associated with its activities; however, future unexpected events or uncertainties may arise and negatively affect the Company's future activities.

20. BOARD OF DIRECTORS AND OFFICERS

On December 10, 2019, Wendell Zerb was appointed as the Chairman of the Company.

As at the date of this report, the directors of the Company are Alistair Waddell (President and Chief Executive Officer), Wendell Zerb (Chairman), Cecil R. Bond, Tero Kosonen and Stuart Smith. Carl Swensson is Vice President, Exploration, Alain Voisin is CFO and Sandra Wong is Corporate Secretary.

On behalf of the Board,

INFLECTION RESOURCES LTD.

Alistair Waddell

President and Chief Executive Officer

INFLECTION RESOURCES LTD.

Management's Discussion and Analysis

For the year ended September 30, 2019

GENERAL

The following discussion and analysis of the operations, results, and financial position of Inflection Resources Ltd. (“the Company” or “Inflection”) for the year ended September 30, 2019 should be read in conjunction with the Company’s audited consolidated financial statements for the year ended September 30, 2019. Unless otherwise noted, amounts are presented in Canadian dollars.

DATE

This Management’s Discussion and Analysis (“MD&A”) covers the fiscal year ended September 30, 2019 and was prepared on April 27, 2020 (“Report Date”).

MANAGEMENT’S RESPONSBILITY FOR FINANCIAL STATEMENTS

The Company’s management is responsible for the presentation and preparation of the financial statements on which this discussion and analysis is based. The financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) and are reported in Canadian Dollars.

FORWARD LOOKING STATEMENTS

Certain information contained or incorporated by reference in this MD&A, including any information as to our future financial or operating performance, constitutes “forward-looking statements”. All statements, other than statements of historical fact, are forward-looking statements. The words “believe”, “expect”, “anticipate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule” and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by us, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or other commodities; changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada and in other countries; business opportunities that may be presented to, or pursued by, us; operating or technical difficulties in connection with mining or development activities; employee relations; litigation; the speculative nature of exploration and development, including the risks of obtaining necessary licenses and permits; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks. Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements.

We disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

1. CORE BUSINESS

Inflection Resources Ltd. (formerly 1118192 B.C. Ltd.) was incorporated under the *Business Corporations Act* (British Columbia) on May 9, 2017 and its principal business activity is the exploration and evaluation of mineral properties hosting gold, copper and base metals in New South Wales and Queensland, Australia. As of the date of this report, the Company has three wholly owned subsidiaries: Australian Consolidated Gold Holdings Pty Ltd ACN 619 975 405, ACGH II Pty Ltd ACN 623 704 898, and Romardo Copper (NSW) Pty Ltd ACN 605 976 565.

The Company holds interests in the following mineral resource projects:

- **Northern New South Wales** project that consists of twelve 100% owned exploration licences in the Lachlan Fold Belt region of New South Wales as of September 30, 2019. As of the date of this report, the Company has increased its holdings to 17 exploration licences and two additional exploration licence applications.
- **Artificial Intelligence** project in which the Company has acquired the rights to use proprietary database of exploration targets generated in the Lachlan Fold Belt region of New South Wales. The Company has acquired five exploration licences using the proprietary data as of September 30, 2019 and the date of this report but has not designated any Project Areas.
- **Carron** project in which the Company has entered into a farm-in agreement to earn up to a 100% participating interest in a joint venture exploration licence in Queensland. As of the date of this report, the Company has earned an initial 50% interest in the exploration licence.

2. FINANCIAL CONDITION

As at September 30, 2019, the Company incurred a net loss of $775,489 (2018 - $95,728) in the current year and has an accumulated deficit of $871,910. The ability of the Company to continue as a going concern and meet its commitments as they become due, including exploration of its exploration and evaluation assets, is dependent on the Company's ability to obtain the necessary financing. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to raise financing and generate future profitable operations. As the Company is in the exploration stage, the recoverability of costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties. The Company will periodically have to raise funds to continue operations, and although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

The Company had a working capital surplus of $206,833 at September 30, 2019 compared to a surplus of $437,136 at September 30, 2018.

Cash was $455,290 at September 30, 2019 compared to $525,413 at September 30, 2018. The Company's sources and uses of cash are discussed under "Cash Flows" below.

Other receivables of $29,699 at September 30, 2019 (2018 - $14,744) consisted largely of GST input tax credits.

Prepaid expenses and deposits of $39,915 at September 30, 2019 (2018 - $nil) consisted of a $10,000 term deposit as security on a credit card and $29,915 in advance payments on exploration licences.

Refundable security deposits of $155,649 at September 30, 2019 (2018 - $127,413) were advanced on the Company's mineral exploration licences as follows: Northern New South Wales project for $107,253 (AUD $110,000) and AI project for $48,396 (AUD $50,000).

Exploration and evaluation assets of $1,965,136 at September 30, 2019 (2018 - $1,064,031) consisted of acquisition costs and expenditures on the Company's Northern New South Wales ($1,209,956), AI ($510,181) and Carron ($244,999) projects, which are discussed under "Major Operating Milestones" below.

Accounts payable and accrued liabilities of $318,071 at September 30, 2019 (2018 - $103,011) were unsecured amounts. Included in accounts payable and accrued liabilities at September 30, 2019 was $246,925 (2018 - $77,399) owing to directors, officers, and shareholders who hold greater than a 10% interest in the Company for unpaid services and expenses, which was non-interest bearing and payable on demand.

3. FINANCIAL PERFORMANCE

The Company's corporate and administrative head office is located in Vancouver, Canada and it is engaged in acquisition, exploration and evaluation activities in New South Wales and Queensland, Australia.

Because the Company is in the exploration stage, it did not earn any significant revenue and its expenses relate to the costs of operating a private company of its size. Net and comprehensive loss for the year ended September 30, 2019 was $775,489 (2018 - $95,728) or loss per share of $0.03 (2018 – $0.01 loss per share). Net and comprehensive loss for the three months ended September 30, 2019 was $137,395 (three months ended September 30, 2018 - $65,609) or loss per share of $0.00 (three months ended September 30, 2018 - $0.00 loss per share).

The Company's expenses are as follows:

	Three months ended September 30, 2019 $	**Three months ended September 30, 2018 $**	**Year ended September 30, 2019 $**	**Year ended September 30, 2018 $**
Consulting fees	54,400	61,250	218,049	85,000
Investor communication	3,944	886	27,530	1,601
Office and miscellaneous	5,691	459	11,406	4,021
Professional fees	34,107	4,827	57,198	4,827
Salaries and benefits	2,669	-	5,047	-
Share-based compensation	-	-	372,827	-
Travel and meals	31,190	637	78,504	2,777
	132,001	**68,059**	**770,561**	**98,226**

Other items are as follows:

	Three months ended September 30, 2019 $	**Three months ended September 30, 2018 $**	**Year ended September 30, 2019 $**	**Year ended September 30, 2018 $**
Gain (loss) on foreign exchange	(5,394)	2,450	(4,928)	2,498
	(5,394)	**2,450**	**(4,928)**	**2,498**

3.1 Total Expenses for the Year ended September 30, 2019

Total expenses for the year ended September 30, 2019 were $770,561 compared to total expenses of $98,226 recorded for the 2018 comparative year.

Consulting fees were $218,049 for the year ended September 30, 2019 and consisted of $87,000 paid to executive officers, $16,049 paid to a communications consultant, and $115,000 for the provision of strategic consulting services (including office and administrative support services). See section 11 Related Party Transactions. Consulting fees were $85,000 for the year ended September 30, 2018 and consisted of $55,000 paid to executive officers and $30,000 for the provision of strategic consulting services. The CEO was hired during the second quarter of 2018, the CFO was hired during the third quarter of 2018 and the strategic business consultant was engaged during the fourth quarter of 2018 and accordingly the 2018 comparative year expenses are lower for services rendered for only part of the year.

Investor communication expenses of $27,530 were recorded for the year ended September 30, 2019 and consisted of $22,255 for attendance at conferences and trade shows and $5,275 expended on marketing materials. Investor communication expenses of $1,601 were recorded for the 2018 comparative year and consisted of expenditures on marketing materials.

Office and miscellaneous expenses of $11,406 were recorded for the year ended September 30, 2019 compared to expenses of $4,021 recorded for the 2018 comparative year. Office and miscellaneous expenses consist of bank charges, computer and internet, office supplies, telephone and training. The Company increased its exploration and business development activities throughout the 2019 fiscal year and accordingly office and miscellaneous expenses increased in support thereof.

Professional fees of $57,198 were recorded for the year ended September 30, 2019 and consisted of $38,000 for audit fees and $19,198 for legal fees. Professional fees of $4,827 recorded for the 2018 comparative year consisted of legal fees. Higher professional fees in the 2019 financial year reflect the increased operational activities of the Company.

Salaries and benefits of $5,047 were recorded for the year ended September 30, 2019 (2018 - $nil) and consisted of executive salary and group health benefits.

Share-based compensation of $372,827 was recorded for the year ended September 30, 2019 (2018 - $nil) for the grant of 2,210,000 stock options to directors, officers, employees and consultants exercisable at $0.20 per common share for a period of five years.

Travel and meals expense of $78,504 was recorded for the year ended September 30, 2019 compared to expenses of $2,777 recorded for the 2018 comparative year. Corporate travel was undertaken to develop the business and communicate the Company's activities to potential shareholders.

3.2 Other Items for the Year ended September 30, 2019

Foreign exchange loss of $4,928 for the year ended September 30, 2019 was realized on transactions denominated in Australian dollars, the functional currency of the Company's subsidiaries. During the year ended September 30, 2018, the Company realized a gain on foreign exchange of $2,498.

3.3 Total Expenses for the Three Months Ended September 30, 2019

Total expenses for the three months ended September 30, 2019 were $132,001 compared to total expenses of $68,059 recorded for the 2018 comparative period.

Consulting fees were $54,400 for the three months ended September 30, 2019 and consisted of $29,400 paid to executive officers and $25,000 for the provision of strategic consulting services. Consulting fees were $61,250 for the three months ended September 30, 2018 and consisted of $31,250 paid to executive officers and $30,000 for the provision of strategic consulting services.

Investor communication expenses of $3,944 were recorded for the three months ended September 30, 2019 compared to $886 recorded for the 2018 comparative period and consisted of expenditures on marketing materials.

Office and miscellaneous expenses of $5,691 were recorded for the three months ended September 30, 2019 compared to $459 recorded for the 2018 comparative period. Office and miscellaneous expenses consist of bank charges, computer and internet, office supplies and telephone. The Company increased its exploration and business development activities throughout the 2019 fiscal year and accordingly office and miscellaneous expenses increased in support thereof.

Professional fees of $34,107 were recorded for the three months ended September 30, 2019 and consisted of $38,000 for audit fees, $2,815 for legal fees and a credit adjustment to accounting fees of $6,708. Professional fees of $4,827 recorded for the 2018 comparative period consisted of legal fees.

Salaries and benefits of $2,669 were recorded for the three months ended September 30, 2019 (three months ended September 30, 2018 - $nil) and consisted of executive salary and group health benefits.

Travel and meals expense of $31,190 was recorded for the three months ended September 30, 2019 compared to expenses of $637 recorded for the 2018 comparative period. Corporate travel was undertaken to develop the business and communicate the Company's activities to potential shareholders, including travel to Australia in the fourth quarter of 2019.

3.4 Other Items for the Three Months ended September 30, 2019

Foreign exchange loss of $5,394 for the three months ended September 30, 2019 was realized on transactions denominated in Australian dollars, the functional currency of the Company's subsidiaries. During the three months ended September 30, 2018, the Company realized a gain on foreign exchange of $2,450.

4. CASH FLOWS

The Company is still in the exploration and development stage and as such does not earn any significant revenue. Total cash used in operating activities was $242,482 for the year ended September 30, 2019 compared to cash provided of $8,357 for the 2018 comparative year. The Company incurred a net loss of $775,489 with the following adjustments made with respect to non-cash items consisting of $372,827 in share-based compensation and changes to non-cash working capital items which resulted in operating cash used of $242,482.

Cash used in investing activities was $869,341 for the year ended September 30, 2019 and consisted of advances for refundable security deposits of $28,236 and mineral property expenditures of $841,105. Cash used in investing activities was $410,944 for the year ended September 30, 2018 and consisted of advances for refundable security deposits of $127,413 and mineral property expenditures of $283,531.

Cash provided by financing activities was $1,041,700 for the year ended September 30, 2019 and consisted of $779,500 in proceeds from private placements, $280,200 in share subscriptions received, less $18,000 in share issuance costs. On February 20, 2019, the Company completed a non-brokered private placement of 50,000 common shares priced at $0.20 for gross proceeds of $10,000. On April 5, 2019, the Company completed the first tranche of a non-brokered private placement of 2,035,000 common shares priced at $0.30 for gross proceeds of $610,500. Finder's fees of $9,000 cash and 30,000 common shares priced at $0.30 with a fair value of $9,000 was paid on this private placement. On April 15, 2019, the Company completed the final tranche of a non-brokered private placement of 500,000 common shares priced at $0.30 for gross proceeds of $150,000.

Cash provided by financing activities was $928,000 for the year ended September 30, 2018 and consists of proceeds from private placements. On June 4, 2018, the Company completed a non-brokered private placement of 3,150,000 common shares priced at $0.10 for gross proceeds of $315,000. In July 2018, the Company completed a non-brokered private placement of 3,065,000 common shares priced at $0.20 for gross proceeds of $613,000.

The net change in cash for the year ended September 30, 2019 was a decrease of $70,123 (2018 – increase of $525,413).

5. SELECTED ANNUAL INFORMATION

The table below presents selected financial data for the Company's annual financial statements for each of the three most recently completed financial years. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

	September 30, 2019 $	**September 30, 2018 $**	**September 30, 2017 $**
Total revenue	-	-	-
Net loss for the year	(775,489)	(95,728)	(693)
Comprehensive loss for the year	(775,489)	(95,728)	(693)
Loss per share, basic and diluted	(0.03)	(0.01)	(693.00)
Total assets	2,645,689	1,731,591	-
Total long term liabilities	-	-	-
Cash dividends declared per share	-	-	-

Various factors contribute to the year to year variation in financial position and financial performance.

The Company was incorporated on May 9, 2017 and accordingly there was no activity from incorporation to the September 30, 2017 period end. Net loss of $693 consists of incorporation costs for a subsidiary and the loss per share of $693.00 is based on one common share outstanding.

The Company commenced active operations during the 2018 fiscal year and incurred general and administrative expenses of $95,728 to support these activities. Loss per share of $0.01 is based on 16,288,542 weighted average number of shares outstanding. The Company completed two private placements for gross proceeds of $928,000 and issued shares with aggregate fair value of $780,500 to acquire mineral properties and related refundable security deposits. Total assets of $1,731,591 consists of $540,147 in cash and other receivables, $127,413 in refundable security deposits on exploration licences, and $1,064,031 in exploration and evaluation assets. The Company has no long term liabilities and has not declared any cash dividends.

The Company expanded its exploration and business development activities during the 2019 fiscal year and incurred general and administrative expenses of $770,561 to support these activities. Included in this amount is $372,827 in share-based compensation, a non-cash item, that represents the fair value of 2,210,000 incentive stock options granted to directors, officers and consultants. Loss per share of $0.03 is based on 29,669,987 weighted average number of shares outstanding. The Company completed private placements for net proceeds of $761,500 and issued shares with aggregate fair value of $60,000 to acquire mineral properties. Total assets of $2,645,689 consists of $484,989 in cash and other receivables, $39,915 in prepaid expenses and deposits, $155,649 in refundable security deposits on exploration licences, and $1,965,136 in exploration and evaluation assets. The Company has no long term liabilities and has not declared any cash dividends.

6. MAJOR OPERATING MILESTONES

6.1 Year ended September 30, 2019

The Company achieved the following major operating milestones during the year ended September 30, 2019.

In October and November 2018, the Company undertook a total of 15,014 line-kilometre airborne geophysical surveys in two separate campaigns on the Property in order to refine target selection.

On December 20, 2018, the Company and the Optionors of the Carron Project extended the date that the minimum expenditures were required to earn a 50% participating interest in the Carron Project from December 31, 2018 to September 20, 2019.

On February 14, 2019, the Company issued 300,000 shares at $0.20 per share to the Licensors of the AI Project.

On February 20, 2019, the Company completed a private placement of 50,000 shares at $0.20 per share for gross proceeds of $10,000.

On February 26, 2019, as amended on December 31, 2019, the Company and the Vendors of the Northern NSW Romardo Project entered into an Asset Purchase and Sale Agreement for the Company to acquire 100% of the outstanding shares of Romardo Copper (NSW) Pty Ltd.

On March 20, 2019, Cecil R. Bond, Tero Kosonen, Stuart Smith and Wendell Zerb were appointed as directors of the Company and Sandra Wong was appointed as Secretary of the Company.

On March 21, 2019, the Company approved a Stock Option Plan and granted 2,210,000 incentive stock options exercisable at $0.20 per share for a five-year term to directors, officers, employees and consultants of the Company.

In April 2019, the Company completed private placements of 2,535,000 shares at $0.30 per share for gross proceeds of $760,500. A finder's fee of $9,000 cash and 30,000 shares at $0.30 per share was paid on a portion of the private placement.

6.2 Subsequent to September 30, 2019 to the Date of this Report

The Company achieved the following major operating milestones subsequent to September 30, 2019 to the date of this report.

On November 22, 2019, the Company and the Optionors of the Carron Project amended the minimum expenditures required to earn a 50% participating interest in the Carron Project to the $297,172 advanced as of September 30, 2019 and the Company has earned a 50% participating interest in the Carron Project as of September 30, 2019.

On December 10, 2019, the Company held an Annual General Meeting of Shareholders where the five directors of the Company were elected to hold office for the ensuing year and Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, was appointed as auditor for the ensuing year. Wendell Zerb was appointed as the Chairman of the Company.

On December 19, 2019, the Company completed the first tranche of a unit private placement of 5,768,638 units at $0.22 per unit for gross proceeds of $1,269,100. Each unit consist of one share and one share purchase warrant exercisable into one share at a price of $0.30 per share for a 30-month term. A finder's fee of $35,903 was paid on a portion of the financing.

On December 19, 2019, the Company issued 3,456,818 common share purchase warrants, with each warrant exercisable into one share at a price of $0.30 per share for a 30-month term, to the subscribers of the private placement.

On January 31, 2020, the Company completed the final tranche of a unit private placement of 6,264,545 units at $0.22 per unit for gross proceeds of $1,378,200. Each unit consist of one share and one share purchase warrant exercisable into one share at a price of $0.30 per share for a 30-month term. A finder's fee of $12,870 was paid on a portion of the financing.

The Company granted one of the investors of the final tranche the right to acquire additional shares of the Company at a price of $0.01 per share such that the total average purchase price of this subscription shall be equal to the per share price of the shares issued under the Company's anticipated initial public offering ("IPO"). If the price per share of the IPO is equal to or greater than $0.22 per share then these rights shall immediately expire. These rights shall expire one year from the closing date of the final tranche of the private placement if the Company has not completed the IPO.

On February 11, 2020, the Company completed the acquisition of Romardo Copper (NSW) Pty Ltd.

On March 10, 2020, the Company granted 1,980,000 incentive stock options exercisable at $0.30 per share for a five-year term to directors, officers, and employees of the Company. The options will vest six months from the date of grant.

6.3 Exploration and Evaluation Activities for the Year Ended September 30, 2019

The Company is in the mineral exploration stage and as such has no revenues. Mineral interests in the form of exploration and acquisition costs totalled $1,965,136 as at September 30, 2019 (2018 - $1,064,031). Total costs incurred on exploration and evaluation assets are summarized as follows:

	AI Project	Northern NSW Project	Carron Project	Total
	$	$	$	$
Acquisition costs:				
Balance, September 30, 2018	157,337	424,869	95,214	677,420
Additions:	60,000	-	-	60,000
Balance, September 30, 2019	217,337	424,869	95,214	737,420
Deferred exploration costs:				
Balance, September 30, 2018	88,979	297,632	-	386,611
Additions for the year:				
Administration and maintenance	6,028	12,153	-	18,181
Assay	4,295	-	-	4,295
Claim management fees	25,429	87,888	-	113,317
Geophysics	-	173,515	145,785	319,300
Geological services	156,496	213,734	4,000	374,229
Travel, food & accommodation	11,618	165	-	11,783
Total additions for the year	203,866	487,455	149,785	841,105
Balance, September 30, 2019	292,844	785,087	149,785	1,227,716
Balance, September 30, 2019	**510,181**	**1,209,956**	**244,999**	**1,965,136**

6.4 Northern NSW Projects

The Northern NSW project is the Company's principal property and as of the date of this report, consists of seventeen 100% owned non-surveyed non-contiguous exploration licences ("EL") and two EL applications located in the Lachlan Fold Belt region of New South Wales, Australia. Eleven of the EL were acquired pursuant to a Binding Term Sheet dated June 6, 2017 that was subsequently replaced by a Superseding Agreement dated July 1, 2018. Two of the EL were acquired pursuant to an Asset Purchase and Sale Agreement dated February 26, 2019. Four of the EL and the two EL applications were staked by the Company directly.

The Northern NSW project targets large undercover gold and gold-copper deposits. The Company currently has 21 drill-ready targets, all are new with no history of drilling with the exception of Marra. The targets are located in areas of the prospective Macquarie Arc.

The following is a discussion of the exploration activities on the Northern New South Wales project during the year ended September 30, 2019.

An extensive program of community consultation and negotiation of access agreements was undertaken to enable the drilling of the proposed holes and the preparation and submission of DPIE permits to conduct the drilling program.

Inflection, through its Australian subsidiaries submitted six applications for drilling grants offered by the government of New South Wales New Frontiers Cooperative Drilling Program. In early April 2020, the Company was advised it had been awarded three grants totaling AUD$139,685 to fund 50% of the first-pass direct drilling costs on three of our Northern NSW projects: Blackwater, Branglebar and Brewarrina.

The New Frontiers program is managed by the Geological Survey of NSW and is part of the NSW Mineral Strategy commitment to promote investment in mineral exploration. Applications are encouraged for drilling projects in relatively underexplored prospective regions, to test new geological ideas or in areas where the targets are under cover.

A further three exploration licences were applied for in the northern covered areas as a consequence of further refinement of the interpretation of open file magnetic surveys, with a further 39,000 hectares of licences and applications added to Inflection's portfolio as at September 30, 2019. This work, together with similar work conducted in the previous year, resulted in the definition of 21 targets to be drill tested by a minimum of 38 holes through the post-mineral cover of the northern Macquarie Arc.

6.5 Artificial Intelligence Project – Southern NSW

The AI project is the subject of a Lachlan Fold Belt Exploration Alliance Agreement dated May 1, 2017 in which the Company agreed to acquire the rights from the Licensor to use a proprietary database of exploration targets generated in the data rich southern Lachlan Fold Belt region of New South Wales. The Company has acquired five exploration licences using the proprietary data as of September 30, 2019 and the date of this report but has not designated any Project Areas. The Alliance Agreement states that if the Company does not designate such mineral properties as Project Areas by April 30, 2020, the Company's interest in such mineral properties will be transferred to the Licensor. The Company is currently seeking an extension from the Licensor to this deadline.

During the year ended September 30, 2019, the AI tenement portfolio was increased by a new exploration licence, Morongla Creek, with an area of 4,500 hectares. This new exploration licence is amenable to rapid assessment by soil sampling.

6.6 Carron Project – Queensland

The Carron project is the subject of an Exploration Farm-in Agreement dated March 15, 2017, as amended on December 20, 2018 and November 22, 2019, in which the Company agreed to earn up to a 100% participating interest in all property and assets of the joint venture established under the Farm-In Agreement (the "Joint Venture Property") to acquire, explore and develop an exploration licence in Queensland, Australia. As of the date of this report, the Company has earned an initial 50% interest in the exploration licence and controls 30 kilometres of untested northwest trending structures consisting of 11 high-priority drill targets.

The following is a discussion of the exploration activities on the Carron project during the year ended September 30, 2019.

The period was spent mostly preparing for a planned drill program. Compensation agreement negotiations were initiated with two landowners. Cultural Heritage clearances were also initiated and completed with the Traditional Owners, the Tagalaka, resulting in the clearance and approval of six drill sites.

Field meetings were held with geological contractor Terra Search to formalize health, safety and environmental procedures.

A gravity survey was completed in the southern sector of the Carron project with a total of 282 gravity stations being recorded on a 400x400m grid. The survey covered two high priority proposed drill targets, one on an inferred vein array analogue of the Croydon vein system and the other on an interpreted complex intrusion centred system. From a review of the interpretation and 3D modelling of the magnetic data, a total of 14 drill targets were identified for the initial drill program.

A new Exploration Licence EPM 25882 was applied for covering interpreted altered structures as defined by regional magnetic data which extend from the Carron Project onto the new application area. The new application juxtaposes the principal Carron Project on the Western property boundary.

6.7 Qualified Person

The Company's exploration program is directed by Carl Swensson, Vice President, Exploration, who is a "qualified person" as defined by National Instrument 43-101 and who also prepared and approved the scientific and technical information contained in this MD&A.

7. SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed fiscal quarters as presented in the unaudited condensed interim consolidated financial statements. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

	Q4 Sep 30, 2019 $	**Q3 Jun 30, 2019 $**	**Q2 Mar 31, 2019 $**	**Q1 Dec 31, 2019 $**
Total revenue	-	-	-	-
Loss for the period	(137,395)	(99,160)	(463,307)	(75,627)
Comprehensive loss for the period	(137,395)	(99,160)	(463,307)	(75,627)
Loss per share, basic and diluted	(0.004)	(0.003)	(0.016)	(0.003)

	Q4 Sep 30, 2018 $	**Q3 Jun 30, 2018 $**	**Q2 Mar 31, 2018 $**	**Q1 Dec 31, 2017 $**
Total revenue	-	-	-	-
Loss for the period	(65,609)	(20,788)	(9,331)	-
Comprehensive loss for the period	(65,609)	(20,788)	(9,331)	-
Loss per share, basic and diluted	(0.002)	(0.001)	(0.001)	(0.00)

Because the Company is in the exploration stage, it did not earn any significant revenue.

The Company commenced its exploration and business development activities during the second quarter of 2018 and each successive quarter's loss reflects progressively increasing general and administrative expenses in support of these activities. During the second quarter of 2019, the Company recorded share-based compensation expense of $372,827 as the fair value of 2,210,000 stock options granted.

8. LIQUIDITY

The Company's financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise equity financing and the attainment of profitable operations. In order for the Company to continue as a going concern and meet its financial obligations over the next twelve months, the Company may need to conclude an equity financing.

Cash at September 30, 2019 was $455,290 compared to cash of $525,413 at September 30, 2018. Working capital surplus was $206,833 at September 30, 2019 compared to a surplus of $437,136 at September 30, 2018. Factors that could impact on the Company's liquidity are monitored regularly and include market changes, gold price changes, and economic downturns that affect the market price of the Company's securities for the purposes of raising financing.

Other receivables of $29,699 (2018: $14,744) largely consisted of GST input tax credits that are liquid in the short term.

Prepaid expenses and deposits of $39,915 at September 30, 2019 (2018 - $nil) consisted of a $10,000 term deposit as security on a credit card and $29,915 in advance payments on exploration licences.

Refundable security deposits of $155,649 (2018: $127,413) represented AUD $170,000 (2018: AUD $130,000) of deposits paid on exploration licences in Australia. These deposits will only be refunded if the Company drops or divests the tenements.

Accounts payable and accrued liabilities of $318,071 (2018: $103,011) are unsecured, non-interest bearing and payable on demand.

Based on the above financial condition at September 30, 2019, the Company will need to raise additional financing in order to carry out its planned mineral acquisition and exploration activities in the current fiscal year.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

9. CAPITAL RESOURCES

The Company has no commitments for capital expenditures. The Company holds various mineral property agreements that will require expenditures in the current fiscal year to maintain the agreements in good standing. However, the Company may negotiate with the Licensors and Optionors to extend the payments or otherwise amend the terms of the agreements.

The Company does not have any capital resources in the form of debt, equity and any other financing arrangements.

10. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

11. RELATED PARTY TRANSACTIONS

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company, as well as the Vice President, Exploration and Corporate Secretary. Key management personnel compensation is comprised of the following:

	Year ended September 30, 2019 $	Year ended September 30, 2018 $
Consulting fees	202,000	55,000
Geological consulting capitalized to E&E assets	225,000	118,750
Share-based payments	339,087	-
	766,087	**173,750**

During the year ended September 30, 2019, the Company entered into the following transactions with related parties:

a) Incurred $45,000 (2018 – $30,000) in consulting fees and $135,000 (2018 - $90,000) in geological consulting fees payable to Waddell Consulting Inc., a company controlled by Alistair Waddell, the CEO of the Company;

b) Incurred $32,500 (2018 – $10,000) in in consulting fees payable to Cariboo Sky Consulting Ltd., a company controlled by Alain Voisin, the CFO of the Company;

c) Incurred $8,400 (2018 - $15,000) in consulting fees payable to Quaestus Strategies Corp., a company controlled by Emma Fairhurst, the former Corporate Secretary and a former director of the Company;

d) Incurred $90,000 (2018 - $28,750) in geological consulting fees and benefits payable to Swensson Integrated Resource Management, a company controlled by Carl Swensson, the VP Exploration of the Company; and

e) Incurred $1,100 (2018 - $nil) in consulting fees payable to Sandra Wong, the Corporate Secretary of the Company.

The Company is party to a Contract for Services dated July 1, 2018, as amended on September 1, 2019, with Ore Capital Partners Ltd. (“Ore Capital”), a significant shareholder of the Company. Ore Capital provided strategic consulting, office and administrative support services for a monthly fee of $10,000 from July 1, 2018 to August 31, 2019 that was reduced to $5,000 per month effective September 1, 2019 until the Agreement was terminated on February 29, 2020.

On April 5, 2019, Ore Capital participated in a private placement by purchasing 500,000 shares at $0.30 for total proceeds of $150,000.

As at September 30, 2019 included in accounts payable and accrued liabilities is $246,925 (2018 – $77,399) due to related parties.

12. FOURTH QUARTER

N/A

13. PROPOSED TRANSACTIONS

The Company is engaged in the search for potential mineral property acquisitions and financings, but there are currently no proposed asset or business acquisitions or dispositions. Other than disclosed in this Management's Discussion and Analysis, the Company does not have any proposed transactions.

14. SIGNIFICANT CHANGES FROM PREVIOUS DISCLOSURE

N/A

15. CHANGES IN ACCOUNTING POLICY INCLUDING INITIAL ADOPTION

The following new standard has been issued by the IASB or the IFRIC that are mandatory for accounting periods beginning January 1, 2019 or later periods:

IFRS 16, Leases, replaces IAS 17 "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019. The new standard is not expected to have an impact on the Company's financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

16. FINANCIAL INSTRUMENTS

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.

Cash is carried at fair value using level 1 fair value measurement. The carrying value of receivables and accounts payable approximate their fair value because of the short-term nature of these instruments.

Refundable security deposits are refundable at a fixed amount in $AUD and are carried at fair value using level 1 fair value measurement, which is based on the $CDN equivalent at each balance sheet date.

16.1 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 that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in a bank account held with a major bank in Canada. The risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company has secondary exposure to credit risk on its receivables. This risk is minimal as receivables consist primarily of refundable goods and services taxes.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate as they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to significant foreign currency risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company assessed its liquidity risk as high.

Interest rate risk

Interest rate risk is the risk that fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to interest rate risk.

17. RISKS AND UNCERTAINTIES

Exploration and mining companies face many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical.

The principal activity of the Company is mineral exploration, which is inherently risky. Exploration is also capital intensive, and the Company currently has no source of income and must depend on equity financings as its main source of capital. Only the skills of its management and staff in mineral exploration and exploration financing serve to mitigate these risks and therefore are one of the main assets of the Company.

The following are the risk factors which the Company's management believes are most important in the context of the Company's business. It should be noted that this list is not exhaustive and that other risk factors may apply. An investment in the Company may not be suitable for all investors.

Competition

The Company competes with many companies that have substantially greater financial and technical resources than the Company for the acquisition of mineral properties as well as for the recruitment and retention of qualified employees.

Title Matters

Title to and the area of mining claims may be disputed. Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current state of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has No History of Operations

The Company has no history of operations and is in the early stages of exploration on its mining properties. The Company may experience higher costs than budgeted and delays which were not expected. The Company must also locate and retain qualified personnel to conduct exploration work. Further adverse changes in any one of such factors or the failure to locate and retain such personnel will have an additional adverse effect on the Company, its business and results of operations.

The Mining Industry is Speculative and of a Very High Risk Nature

Mining activities are speculative by their nature and involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The Company's activities are in the exploration stage and such exploration is subject to the risk that previously reported inferred mineralization is not economic. If this occurs, the Company's existing resources may not be sufficient to support a profitable mining operation. The Company's activities are subject to a number of factors beyond its control including intense industry competition and changes in economic conditions, including some operating costs (such as electrical power). Its operations are subject to all the hazards normally incidental to exploration, development and production of precious metals, any of which could result in work stoppages, damage to or loss of property and equipment and possible environmental damage. An adverse change in any one of such factors, hazards and risks would have a material adverse effect on the Company, its business and results of operations. This might result in the Company not meeting its business objectives.

The Company is Dependent on Various Key Personnel

The Company's success is dependent upon the performance of key personnel. The Company does not maintain life insurance for key personnel and the loss of the services of senior management or key personnel could have a material and adverse effect on the Company, its business and results of operations.

The Company's Activities might suffer Losses from or Liabilities for Risks which are not Insurable

The Company does not currently carry any form of political risk insurance, insurance for loss of or damage in respect of its equipment and property or any form of environmental liability insurance, since insurance is prohibitively expensive. The payment of any such liabilities would reduce the funds available to the Company. If the Company suffers damage to its equipment it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy.

There is Uncertainty in the Nature and Amount of the Company's Resources

While the Company has carried out, and will carry out on an annual basis, estimates of its mineral resources, this should not be construed as a guarantee that such estimates are accurate. If such estimates prove to be materially inaccurate, that would have a material and adverse effect on the Company's business and results of operations.

Pandemic Risk

The outbreak and spread of infectious diseases may have significant human, political, and economic consequences around the world, which full impact are difficult to determine. Their wide-ranging effects include financial market volatility, interest rate cuts, disrupted movement of people and goods, and diminished consumer confidence. The effects may be difficult to assess or predict with meaningful precision both generally and as an industry- or issuer-specific basis. This is an uncertain issue where actual effects will depend on many factors beyond the control and knowledge of the Company.

18. DISCLOSURE OF OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

As at September 30, 2019, the Company had 31,130,001 common shares issued and outstanding and 2,010,000 stock options exercisable at $0.20 per share until March 21, 2024.

As at April 27, 2020, the Company has 43,163,184 common shares issued and outstanding.

As at April 27, 2020, the Company has 9,225,456 share purchase warrants exercisable at $0.30 per share until June 19, 2022 and 6,264,545 share purchase warrants exercisable at $0.30 per share until July 31, 2022.

As at April 27, 2020, the Company has 2,010,000 stock options exercisable at $0.20 per share until March 21, 2024 and 1,980,000 stock options exercisable at $0.30 per share until March 10, 2025.

19. COMMITMENTS, EXPECTED OR UNEXPECTED EVENTS, OR UNCERTAINTIES

The Company is party to agreements to acquire mineral properties that are disclosed in the accompanying financial statements.

The Company is party to consulting agreements that are disclosed in the accompanying financial statements.

Other than as disclosed in this MD&A and the accompanying financial statements, the Company does not have any commitments or expected events. The Company discloses various risks associated with its activities; however, future unexpected events or uncertainties may arise and negatively affect the Company's future activities.

20. BOARD OF DIRECTORS AND OFFICERS

On March 20, 2019, Emma Fairhurst resigned as director and Corporate Secretary. Cecil R. Bond, Tero Kosonen, Stuart Smith and Wendell Zerb were appointed as directors and Sandra Wong was appointed as Corporate Secretary of the Company.

On December 10, 2019, Wendell Zerb was appointed as the Chairman of the Company.

As at the date of this report, the directors of the Company are Alistair Waddell (President and Chief Executive Officer), Wendell Zerb (Chairman), Cecil R. Bond, Tero Kosonen and Stuart Smith. Carl Swensson is Vice President, Exploration, Alain Voisin is CFO and Sandra Wong is Corporate Secretary.

On behalf of the Board,

INFLECTION RESOURCES LTD.

Alistair Waddell

President and Chief Executive Officer

INFLECTION RESOURCES LTD.

Management's Discussion and Analysis

For the year ended September 30, 2018

GENERAL

The following discussion and analysis of the operations, results, and financial position of Inflection Resources Ltd. ("the Company" or "Inflection") for the year ended September 30, 2018 should be read in conjunction with the Company's audited consolidated financial statements for the year ended September 30, 2018 and the consolidated financial statements for the period from incorporation on May 9, 2017 to September 30, 2017. Unless otherwise noted, amounts are presented in Canadian dollars.

DATE

This Management's Discussion and Analysis ("MD&A") covers the fiscal year ended September 30, 2018 and was prepared on April 27, 2020 ("Report Date").

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Company's management is responsible for the presentation and preparation of the financial statements on which this discussion and analysis is based. The financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and are reported in Canadian Dollars.

FORWARD LOOKING STATEMENTS

Certain information contained or incorporated by reference in this MD&A, including any information as to our future financial or operating performance, constitutes "forward-looking statements". All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by us, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or other commodities; changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada and in other countries; business opportunities that may be presented to, or pursued by, us; operating or technical difficulties in connection with mining or development activities; employee relations; litigation; the speculative nature of exploration and development, including the risks of obtaining necessary licenses and permits; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks. Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements.

We disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

1. CORE BUSINESS

Inflection Resources Ltd. (formerly 1118192 B.C. Ltd.) was incorporated under the *Business Corporations Act* (British Columbia) on May 9, 2017 and its principal business activity is the exploration and evaluation of mineral properties hosting gold, copper and base metals in New South Wales and Queensland, Australia. As of September 30, 2018, the Company has two wholly owned subsidiaries: Australian Consolidated Gold Holdings Pty Ltd ACN 619 975 405 and ACGH II Pty Ltd ACN 623 704 898.

The Company holds interests in the following mineral resource projects:

- **Northern New South Wales** project that consists of nine 100% owned exploration licences in the Lachlan Fold Belt region of New South Wales as of September 30, 2018. As of the date of this report, the Company has increased its holdings to 17 exploration licences and two additional exploration licence applications.
- **Artificial Intelligence** project in which the Company has acquired the rights to use proprietary database of exploration targets generated in the Lachlan Fold Belt region of New South Wales. The Company has acquired four exploration licences using the proprietary data as of September 30, 2018 but has not designated any Project Areas.
- **Carron** project in which the Company has entered into a farm-in agreement to earn up to a 100% participating interest in a joint venture exploration licence in Queensland.

2. FINANCIAL CONDITION

As at September 30, 2018, the Company has incurred a net loss of $95,728 (2017 - $693) in the current year and has an accumulated deficit of $96,421. The ability of the Company to continue as a going concern and meet its commitments as they become due, including exploration of its exploration and evaluation assets, is dependent on the Company's ability to obtain the necessary financing. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to raise financing and generate future profitable operations. As the Company is in the exploration stage, the recoverability of costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties. The Company will periodically have to raise funds to continue operations, and although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

The Company had a working capital surplus of $437,136 at September 30, 2018 compared to a deficit of $692 at September 30, 2017.

Cash was $525,413 at September 30, 2018 compared to $nil at September 30, 2017. The Company's sources and uses of cash are discussed under "Cash Flows" below.

Other receivables of $14,734 at September 30, 2018 (2017 - $nil) consist largely of GST input tax credits.

Refundable security deposits of $127,413 at September 30, 2018 (2017 - $nil) were advanced on the Company's mineral exploration licences as follows: Northern New South Wales project for $88,209 (AUD $90,000) and AI project for $39,204 (AUD $40,000).

Exploration and evaluation assets of $1,064,031 at September 30, 2018 (2017 - $nil) consist of acquisition costs and expenditures on the Company's Northern New South Wales ($722,501), AI ($246,316) and Carron ($95,214) projects, which are discussed under "Major Operating Milestones" below.

Accounts payable and accrued liabilities of $103,011 at September 30, 2018 (2017 - $692) are unsecured amounts. Included in accounts payable and accrued liabilities at September 30, 2018 is $77,399 (2017 - $692) owing to directors, officers, and shareholders who hold greater than a 10% interest in the Company for unpaid services and expenses, which are non interest bearing and payable on demand.

3. FINANCIAL PERFORMANCE

The Company's corporate and administrative head office is located in Vancouver, Canada and it is engaged in acquisition, exploration and evaluation activities in New South Wales and Queensland, Australia.

Because the Company is in the exploration stage, it did not earn any significant revenue and its expenses relate to the costs of operating a private company of its size. Net and comprehensive loss for the year ended September 30, 2018 was $95,728 (2017 - $693) or loss per share of $0.01 (2017 – loss per share of $693.00 based on one share outstanding). Net and comprehensive loss for the three months ended September 30, 2018 was $65,609 (three months ended September 30, 2017- $693) or loss per share of $0.00 (three months ended September 30, 2018 - $693.00 loss per share based on one share outstanding).

The Company's expenses are as follows:

	Three months ended September 30, 2018 $	**Three months ended September 30, 2017 $**	**Year ended September 30, 2018 $**	**Period ended September 30, 2017 $**
Advertising	886	-	1,601	-
Bank fees	816	-	1,259	-
Consulting fees	61,250	-	85,000	-
Foreign exchange	(2,450)	-	(2,498)	-
Office and miscellaneous	(357)	693	2,762	693
Professional fees	4,827	-	4,827	-
Travel and entertainment	637	-	2,777	-
	65,609	**693**	**95,728**	**693**

3.1 Total Expenses for the Year ended September 30, 2018

Total expenses for the year ended September 30, 2018 were $95,728 compared to total expenses of $693 recorded for the period from Incorporation on May 9, 2017 to September 30, 2017.

Advertising expenses were $1,601 for the year ended September 30, 2018 (2017: $nil) and consisted of expenditures on presentation and marketing materials.

Bank fees were $1,259 for the year ended September 30, 2018 (2017: $nil) and were mostly related to international transfers to fund the Company's operations in Australia.

Consulting fees were $85,000 for the year ended September 30, 2018 (2017: $nil) and included $55,000 for services provided by the executive officers and $30,000 for the provision of strategic consulting services (including office and administrative support services). See section 11 Related Party Transactions.

Foreign exchange gain of $2,498 for the year ended September 30, 2018 (2017: $nil) was realized on transactions denominated in Australian dollars, the functional currency of the Company's subsidiaries.

Office and miscellaneous expenses were $2,762 for the year ended September 30, 2018 (2017 - $693).

Professional fees of $4,827 for the year ended September 30, 2018 (2017: $nil) were incurred for legal fees.

Travel and related expenses of $2,777 for the year ended September 30, 2018 (2017: $nil) were incurred in support of developing the business and communicating the Company's activities to potential shareholders.

3.2 Total Expenses for the Three Months ended September 30, 2018

Total expenses for the three months ended September 30, 2018 were $65,609 compared to total expenses of $693 recorded for the 2017 comparative period.

Advertising expenses were $886 for the three months ended September 30, 2018 (2017: $nil) and consisted of expenditures on presentation and marketing materials.

Bank fees were $816 for the three months ended September 30, 2018 (2017: $nil) and were mostly related to international transfers to fund the Company's operations in Australia.

Consulting fees were $61,250 for the three months ended September 30, 2018 (2017: $nil) and included $31,250 for services provided by the executive officers and $30,000 for the provision of strategic consulting services.

Foreign exchange gain of $2,450 for the three months ended September 30, 2018 (2017: $nil) was realized on transactions denominated in Australian dollars, the functional currency of the Company's subsidiaries.

Office and miscellaneous expenses were a recovery of $357 for the three months ended September 30, 2018 (2017 - $693).

Professional fees of $4,827 for the three months ended September 30, 2018 were incurred for legal fees (2017: $nil).

Travel and related expenses of $637 for the three months ended September 30, 2018 (2017: $nil) were incurred in support of developing the business and communicating the Company's activities to potential shareholders.

4. CASH FLOWS

The Company is still in the exploration and development stage and as such does not earn any significant revenue. Total cash provided by operating activities was $8,357 for the year ended September 30, 2018 compared to cash used of $1 for the 2017 comparative period. The Company incurred a net loss of $95,728 but the following adjustments were made with respect to non-cash items consisting of $16,500 for the fair value of shares issued for consulting services and changes to non-cash working capital items which resulted in positive operating cash flow from operations of $8,357.

Cash used in investing activities was $410,944 for year ended September 30, 2018 (2017 - $nil) and consists of mineral property expenditures.

Cash provided by financing activities was $928,000 for the year ended September 30, 2018 and consists of proceeds from private placements. On June 4, 2018, the Company completed a non-brokered private placement of 3,150,000 common shares priced at $0.10 for gross proceeds of $315,000. In July 2018, the Company completed a non-brokered private placement of 3,065,000 common shares priced at $0.20 for gross proceeds of $613,000. Cash provided by financing activities was $1 for the period ended September 30, 2017 which consisted of funds for the issuance of one share on incorporation.

The net change in cash for the year ended September 30, 2018 was an increase of $525,413 (2017 - $nil).

5. SELECTED ANNUAL INFORMATION

The table below presents selected financial data for the Company's annual financial statements for each of the two most recently completed financial years. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

	September 30, 2018 $	September 30, 2017 $
Total revenue	-	-
Net loss for the year	(95,728)	(693)
Comprehensive loss for the year	(95,728)	(693)
Loss per share, basic and diluted	(0.01)	(693.00)
Total assets	1,731,591	-
Total long-term liabilities	-	-
Cash dividends declared per share	-	-

Various factors contribute to the year to year variation in financial position and financial performance.

The Company was incorporated on May 9, 2017 and accordingly there was no activity from incorporation to the September 30, 2017 period end. Net loss of $693 consists of incorporation costs for a subsidiary and the loss per share of $693.00 is based on one common share outstanding.

The Company commenced active operations during the 2018 fiscal year and incurred general and administrative expenses of $95,728 to support these activities. Loss per share of $0.01 is based on 16,288,542 weighted average number of shares outstanding. The Company completed two private placements for gross proceeds of $928,000 and issued shares with aggregate fair value of $780,000 to acquire mineral properties. Total assets of $1,731,591 consists of $540,147 in cash and other receivables, $127,143 in refundable security deposits on exploration licences, and $1,064,031 in exploration and evaluation assets. The Company has no long-term liabilities.

6. MAJOR OPERATING MILESTONES

6.1 From Incorporation on May 9, 2017 to September 30, 2018

The Company achieved the following major operating milestones from incorporation on May 9, 2017 to September 30, 2018.

The Company was incorporated on May 9, 2017 under the name 1118192 B.C. Ltd. with the issuance of 1 incorporation share at $1.

On June 23, 2017, the Company incorporated Australian Consolidated Gold Holdings Pty Ltd ACN 619 975 405, a wholly-owned subsidiary, in Queensland, Australia, for the purpose of holding the exploration licences to be acquired pursuant to the Northern NSW Romardo Project.

On December 31, 2017, the Company entered into an Assignment Agreement with Ore Capital Partners Ltd. ("Ore Capital") to acquire all the rights and obligations to three mineral property agreements as successor to Ore Capital, with respect to (i) the Northern NSW Romardo Project; (ii) the AI Project; and (iii) the Carron Project. The consideration paid for the property agreements was the issuance of 15,895,000 shares at $0.031 per share for $500,000.

On January 8, 2018, the Company incorporated ACGH II Pty Ltd ACN 623 704 898, a wholly-owned subsidiary, in Queensland, Australia, for the purpose of holding the exploration licences to be acquired pursuant to the AI Project.

On February 1, 2018, Alistair Waddell was appointed as a director of the Company and Carl Swensson was appointed as Vice President, Exploration. The Company issued a total of 3,300,000 shares ($0.005 per share) to Messrs. Waddell and Swensson as consideration for services.

On April 1, 2018, the Company and the licensors of the AI Project entered into a supplemental agreement to exclude certain properties from the project area for consideration of $60,000 which was settled with the issuance of shares on February 14, 2019.

On May 9, 2018, Alistair Waddell was appointed as the President and Chief Executive Officer and Alain Voisin was appointed as the Chief Financial Officer of the Company.

On May 10, 2018, the Company changed its name to Inflection Resources Ltd.

On June 4, 2018, the Company completed a private placement of 3,150,000 shares at $0.10 per share for gross proceeds of $315,000.

On July 1, 2018, the Company and the Vendors of the Northern NSW Romardo Project entered into a Superseding Agreement to replace the Binding Term Sheet.

On July 1, 2018, the Company issued 2,805,000 shares at $0.10 per share for fair value of $280,500 to the licensors of the AI Project.

In July 2018, the Company completed private placements of 3,065,000 shares at $0.20 per share for gross proceeds of $613,000.

6.2 Subsequent to September 30, 2018 to the Date of This Report

The Company achieved the following major operating milestones subsequent to September 30, 2018 to the date of this report.

In October and November 2018, the Company undertook a total of 15,014 line-kilometre airborne geophysical surveys in two separate campaigns on the Property in order to refine target selection.

On December 20, 2018, the Company and the Optionors of the Carron Project extended the date that the minimum expenditures were required to earn a 50% participating interest in the Carron Project from December 31, 2018 to September 20, 2019.

On February 14, 2019, the Company issued 300,000 shares at $0.20 per share for fair value of $60,000 to the Licensors of the AI Project.

On February 20, 2019, the Company completed a private placement of 50,000 shares at $0.20 per share for gross proceeds of $10,000.

On February 26, 2019, as amended December 31, 2019, the Company and the Vendors of the Northern NSW Romardo Project entered into an Asset Purchase and Sale Agreement for the Company to acquire 100% of the outstanding shares of Romardo Copper (NSW) Pty Ltd.

On March 20, 2019, Cecil R. Bond, Tero Kosonen, Stuart Smith and Wendell Zerb were appointed as directors of the Company and Sandra Wong was appointed as Secretary of the Company.

On March 21, 2019, the Company approved a Stock Option Plan and granted 2,210,000 incentive stock options exercisable at $0.20 per share for a five-year term to directors, officers, employees and consultants of the Company.

In April 2019, the Company completed private placements of 2,535,000 shares at $0.30 per share for gross proceeds of $760,500. A finder's fee of $9,000 cash and 30,000 shares at $0.30 per share was paid on a portion of the private placement.

On November 22, 2019, the Company and the Optionors of the Carron Project amended the minimum expenditures required to earn a 50% participating interest in the Carron Project to the $297,172 advanced as of September 30, 2019 and the Company has earned a 50% participating interest in the Carron Project as of September 30, 2019.

On December 10, 2019, the Company held an Annual General Meeting of Shareholders where the five directors of the Company were elected to hold office for the ensuing year and Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, was appointed as auditor for the ensuing year. Wendell Zerb was appointed as the Chairman of the Company.

On December 19, 2019, the Company completed the first tranche of a unit private placement of 5,768,638 units at $0.22 per unit for gross proceeds of $1,269,100. Each unit consist of one share and one share purchase warrant exercisable into one share at a price of $0.30 per share for a 30-month term. A finder's fee of $35,903 was paid on a portion of the financing.

On December 19, 2019, the Company issued 3,456,818 common share purchase warrants, with each warrant exercisable into one share at a price of $0.30 per share for a 30-month term, to the subscribers of the April 2019 private placement.

On January 31, 2020, the Company completed the final tranche of a unit private placement of 6,264,545 units at $0.22 per unit for gross proceeds of $1,378,200. Each unit consist of one share and one share purchase warrant exercisable into one share at a price of $0.30 per share for a 30-month term. A finder's fee of $12,870 was paid on a portion of the financing.

The Company granted one of the investors of the final tranche the right to acquire additional shares of the Company at a price of $0.01 per share such that the total average purchase price of this subscription shall be equal to the per share price of the shares issued under the Company's anticipated initial public offering ("IPO"). If the price per share of the IPO is equal to or greater than $0.22 per share then these rights shall immediately expire. These rights shall expire one year from the closing date of the final tranche of the private placement if the Company has not completed the IPO.

On February 11, 2020, the Company completed the acquisition of Romardo Copper (NSW) Pty Ltd.

On March 10, 2020, the Company granted 1,980,000 incentive stock options exercisable at $0.30 per share for a five-year term to directors, officers, and employees of the Company. The options will vest six months from the date of grant.

6.3 Exploration and Evaluation Activities for the Year Ended September 30, 2018

The Company is in the mineral exploration stage and as such has no revenues. Mineral interests in the form of exploration and acquisition costs totalled $1,064,031 as at September 30, 2018 (2017 - $nil). Total costs incurred on exploration and evaluation assets are summarized as follows:

	AI Project	Northern NSW Project	Carron Project	Total
	$	$	$	$
Acquisition costs:				
Balance, September 30, 2017	-	-	-	-
Additions:	157,337	424,869	95,214	677,420
Balance, September 30, 2018	157,337	424,869	95,214	677,420
Deferred exploration costs:				
Balance, September 30, 2017	-	-	-	-
Additions for the year:				
Administration and maintenance	3,728	2,603	-	6,331
Claim management fees	10,762	61,131	-	71,893
Geophysics	-	146,896	-	146,896
Geological services	74,489	87,002	-	161,491
Total additions for the year	88,979	297,632	-	386,611
Balance, September 30, 2018	88,979	297,632	-	386,611
Balance, September 30, 2018	**246,316**	**722,501**	**95,214**	**1,064,031**

6.4 Northern NSW Projects

The Northern New South Wales project is the Company's principal property and as of September 30, 2018 consisted of nine 100% owned non-surveyed non-contiguous exploration licences ("EL") located in the Lachlan Fold Belt region of New South Wales, Australia. The EL were acquired pursuant to a Binding Term Sheet dated June 6, 2017 that was subsequently replaced by a Superseding Agreement dated July 1, 2018.

The Northern NSW project targets large undercover gold and gold-copper deposits.

The following is a discussion of the exploration activities on the Northern NSW project during the year ended September 30, 2018.

In the Northern NSW project area a total of nine exploration licences were applied for and granted as of September 30, 2018. These tenements cover geophysical targets identified by the project generation study of the northern extensions of the Macquarie Arc which are unconformably covered by a sequence of younger, unmineralized sediments. Targeting was principally completed using the regional airborne magnetic data flown by the government of New South Wales to encourage investment in exploration. The regional magnetic data was collected by the government on 400-metre spaced flight lines.

These nine exploration licences cover 202,500 hectares. Most of these exploration licences were subsequently surveyed by Inflection late in the year with a detailed airborne magnetic survey flown at 100-metre line spacing over the specific target areas. Approximately 15,000-line kilometres of magnetics were flown by Inflection.

A considerable amount of community liaison meeting the various stakeholders was completed prior to flying the airborne survey. As a result of the consultations the start of the survey was slightly delayed at the request of a number of landowners due to the lambing season. Upon completion of the survey the magnetic data was processed in various formats by Core Geophysics and 3D inversion modelling was undertaken by Perth based Newexco Exploration Pty Ltd. This data was then interpreted by Dr. Douglas Haynes to confirm the significance or otherwise of interpreted geology. For each target a specific plan was developed to test the exploration thesis by drilling.

This targeting and subsequent geological modelling resulted in the definition of definitive mesothermal gold and intrusion associated gold and gold-copper targets to be tested by drilling.

Land access agreements were negotiated for the East Marra targets and approval received from the Department of Planning, Industry and Environment (DPIE) to drill the holes.

6.5 Artificial Intelligence Project – Southern NSW

The AI project is the subject of a Lachlan Fold Belt Exploration Alliance Agreement dated May 1, 2017 in which the Company agreed to acquire the rights from the Licensor to use a proprietary targeting database to assist with identifying new mineral deposits in the data rich southern Lachlan Fold Belt region of New South Wales. The Company has acquired four exploration licences using the proprietary data as of September 30, 2018 but has not designated any Project Areas.

During the year ended September 30, 2018, a complete review of previous exploration was conducted for the four AI project tenements, Coolac, Kenny's Creek, Vale Creek and Stilwells Creek.

Negotiations for access agreements were conducted with the key landowners that own property within the four exploration licences. No access agreement has yet been obtained for the Vale Creek target but reconnaissance mapping, rock chip and gridded soil sampling was conducted over areas peripheral to the target.

Reconnaissance mapping, preliminary rock chip sampling and gridded soil sampling was completed over the Coolac, Stilwells Creek and Kenny's Creek EL's. A total of 82 rock chip samples and 679 were taken over the four licences.

6.6 Carron Project – Queensland

The Carron project is the subject of an Exploration Farm-in Agreement dated March 15, 2017, as amended on December 20, 2018 and November 22, 2019, in which the Company agreed to earn up to a 100% participating interest in all property and assets of the joint venture established under the Farm-In Agreement (the "Joint Venture Property") to acquire, explore and develop an exploration licence in Queensland, Australia. The Carron project covers a number of gold targets along trend from the historic Croydon Goldfields.

The following is a discussion of the exploration activities on the Carron project during the year ended September 30, 2018.

Heavy rains and widespread flooding associated with cyclone Nora in late March 2018, coupled with lengthy lead times associated with establishing landholder agreements and culture heritage clearances, prevented the drilling of planned drill holes during this field season. Flooding in late March from Cyclone Nora, sat over the Croydon-Georgetown area, preventing ground access to the tenement area until August 2018.

Drilling was also hindered by difficulties in finding a suitable drilling contractor with an appropriate mud-rotary system and certified water bore drillers required to drill through the Great Artesian Basin, which overlies the basement in the tenement area. This coupled with lengthy lead-up times associated with obtaining pastoral landowner cost and compensation agreements (CCA) and acquiring cultural heritage clearances meant that the Operator was not able to drill in 2018.

Drill hole planning continued and has involved research into drilling through potential artesian groundwater aquifers associated with the northern part of the Great Artesian Basin; the Carpentaria Basin and associated Claraville Shelf and Gilbert-Mitchell Tough structural zones.

Negotiations began with the pastoral landholders and the Tagalaka people.

6.7 Qualified Person

The Company's exploration program is directed by Carl Swensson, Vice President, Exploration, who is a "qualified person" as defined by National Instrument 43-101 and who also prepared and approved the scientific and technical information contained in this MD&A.

7. SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's six most recently completed fiscal quarters as presented in the unaudited condensed interim consolidated financial statements. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

	Q4 Sep 30, 2018 $	**Q3 Jun 30, 2018 $**	**Q2 Mar 31, 2018 $**	**Q1 Dec 31, 2017 $**
Total revenue	-	-	-	-
Loss for the period	(65,609)	(20,788)	(9,331)	-
Comprehensive loss for the period	(65,609)	(20,788)	(9,331)	-
Loss per share, basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)

	Q4 Sep 30, 2017 $	**Q3 Jun 30, 2017 $**
Total revenue	-	-
Loss for the period	(693)	-
Comprehensive loss for the period	(693)	-
Loss per share, basic and diluted	(693.00)	(0.00)

Because the Company is in the exploration stage, it did not earn any significant revenue.

Losses were minimal for the 2017 fiscal year and the first quarter of 2018 because the Company was newly incorporated and not yet active. As the Company commenced and expanded its exploration and business development activities throughout 2018, the second, third and fourth quarter losses consisting of general and administrative expenses increased in support of these activities.

Loss per share of $693.00 for the fourth quarter of 2017 is based on a weighted average number shares outstanding of one.

8. LIQUIDITY

The Company's financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise equity financing and the attainment of profitable operations. In order for the Company to continue as a going concern and meet its financial obligations over the next twelve months, the Company may need to conclude an equity financing.

Cash at September 30, 2018 was $525,413 compared to cash of $nil at September 30, 2017. Working capital surplus was $437,136 at September 30, 2018 compared to a deficit of $692 at September 30, 2017. Factors that could impact on the Company's liquidity are monitored regularly and include market changes, gold price changes, and economic downturns that affect the market price of the Company's securities for the purposes of raising financing.

Other receivables of $14,734 (2017: $nil) largely consisted of GST input tax credits that are liquid in the short term.

Refundable security deposits of $127,413 (2017: $nil) represented AUD $130,000 of deposits paid on exploration licences in Australia. These deposits will only be refunded if the Company drops or divests the tenements.

Accounts payable and accrued liabilities of $103,011 (2017: $692) are unsecured, non-interest bearing and payable on demand.

Based on the above financial condition at September 30, 2018, the Company will likely need to raise additional financing in order to carry out its planned mineral acquisition and exploration activities in the current fiscal year.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

9. CAPITAL RESOURCES

The Company has no commitments for capital expenditures. The Company holds various mineral property agreements that will require expenditures in the current fiscal year to maintain the agreements in good standing. However, the Company may negotiate with the Licensors and Optionors to extend the payments or otherwise amend the terms of the agreements.

The Company does not have any capital resources in the form of debt, equity and any other financing arrangements.

10. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

11. RELATED PARTY TRANSACTIONS

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company, as well as the Vice President, Exploration and Corporate Secretary. Key management personnel compensation is comprised of the following:

	Year ended September 30, 2018 $	**Period ended September 30, 2017 $**
Consulting fees	55,000	-
Geological consulting capitalized to E&E assets	118,750	-
	173,750	**-**

During the year ended September 30, 2018, the Company entered into the following transactions with related parties:

a) Incurred $30,000 (2017 – $nil) in consulting fees and $90,000 (2017-$nil) in geological consulting fees payable to Waddell Consulting Inc., a company controlled by Alistair Waddell, the CEO of the Company;

b) Incurred $10,000 (2017 – $nil) in in consulting fees payable to Cariboo Sky Consulting Ltd., a company controlled by Alain Voisin, the CFO of the Company;

c) Incurred $15,000 (2017 - $nil) in consulting fees payable to Quaestus Strategies Corp., a company controlled by Emma Fairhurst, the Corporate Secretary and a director of the Company; and

d) Incurred $28,750 (2017 - $nil) in geological consulting fees and benefits payable to Swensson Integrated Resource Management, a company controlled by Carl Swensson, the VP Exploration of the Company.

The Company is party to a Contract for Services dated July 1, 2018 with Ore Capital, a significant shareholder of the Company, for Ore Capital to provide strategic consulting, office and administrative support services for a monthly fee of $10,000.

On December 31, 2017, the Company entered into an Assignment Agreement with Ore Capital to acquire all the rights and obligations to three mineral property agreements as successor to Ore Capital, with respect to (i) the Northern NSW Romardo Project; (ii) the AI Project; and (iii) the Carron Project. The consideration paid for the property agreements was the issuance of 15,895,000 shares at $0.031 per share for total fair value of $500,000.

As at September 30, 2018 included in accounts payable and accrued liabilities is $77,399 (2017 – $693) due to related parties.

12. FOURTH QUARTER

N/A

13. PROPOSED TRANSACTIONS

The Company is engaged in the search for potential mineral property acquisitions but there are currently no proposed asset or business acquisitions or dispositions. Other than disclosed in this Management's Discussion and Analysis, the Company does not have any proposed transactions.

14. SIGNIFCANT CHANGES FROM PREVIOUS DISCLOSURE

N/A

15. CHANGES IN ACCOUNTING POLICY INCLUDING INITIAL ADOPTION

The following new standard has been issued by the IASB or the IFRIC that are mandatory for accounting periods beginning January 1, 2018 or later periods:

IFRS 9, Financial Instruments, addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 Financial Instruments; Recognition and Measurement for debt instruments with a new mixed measurement model having only two categories; amortized cost and fair value through profit or loss. Requirements for financial liabilities are largely carried forward from the existing requirements in IAS 39 except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income. The effective date of this new standard will be for periods beginning on or after January 1, 2018 with early adoption permitted. The Company has assessed that this standard will not have a material impact on its financial statements.

The following new standard has been issued by the IASB or the IFRIC that are mandatory for accounting periods beginning January 1, 2019 or later periods:

IFRS 16, Leases, replaces IAS 17 "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019. The new standard is not expected to have an impact on the Company's financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

16. FINANCIAL INSTRUMENTS

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.

Cash is carried at fair value using level 1 fair value measurement. The carrying value of receivables and accounts payable approximate their fair value because of the short-term nature of these instruments.

Refundable security deposits are refundable at a fixed amount in $AUD and are carried at fair value using level 1 fair value measurement, which is based on the $CDN equivalent at each balance sheet date.

16.1 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 that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in a bank account held with a major bank in Canada. The risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company has secondary exposure to credit risk on its receivables. This risk is minimal as receivables consist primarily of refundable goods and services taxes.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate as they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to significant foreign currency risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company assessed its liquidity risk as high.

Interest rate risk

Interest rate risk is the risk that fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to interest rate risk.

17. RISKS AND UNCERTAINTIES

Exploration and mining companies face many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical.

The principal activity of the Company is mineral exploration, which is inherently risky. Exploration is also capital intensive, and the Company currently has no source of income and must depend on equity financings as its main source of capital. Only the skills of its management and staff in mineral exploration and exploration financing serve to mitigate these risks and therefore are one of the main assets of the Company.

The following are the risk factors which the Company's management believes are most important in the context of the Company's business. It should be noted that this list is not exhaustive and that other risk factors may apply. An investment in the Company may not be suitable for all investors.

Competition

The Company competes with many companies that have substantially greater financial and technical resources than the Company for the acquisition of mineral properties as well as for the recruitment and retention of qualified employees.

Title Matters

Title to and the area of mining claims may be disputed. Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current state of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has No History of Operations

The Company has no history of operations and is in the early stages of exploration on its mining properties. The Company may experience higher costs than budgeted and delays which were not expected. The Company must also locate and retain qualified personnel to conduct exploration work. Further adverse changes in any one of such factors or the failure to locate and retain such personnel will have an additional adverse effect on the Company, its business and results of operations.

The Mining Industry is Speculative and of a Very High Risk Nature

Mining activities are speculative by their nature and involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The Company's activities are in the exploration stage and such exploration is subject to the risk that previously reported inferred mineralization is not economic. If this occurs, the Company's existing resources may not be sufficient to support a profitable mining operation. The Company's activities are subject to a number of factors beyond its control including intense industry competition and changes in economic conditions, including some operating costs (such as electrical power). Its operations are subject to all the hazards normally incidental to exploration, development and production of precious metals, any of which could result in work stoppages, damage to or loss of property and equipment and possible environmental damage. An adverse change in any one of such factors, hazards and risks would have a material adverse effect on the Company, its business and results of operations. This might result in the Company not meeting its business objectives.

The Company is Dependent on Various Key Personnel

The Company's success is dependent upon the performance of key personnel. The Company does not maintain life insurance for key personnel and the loss of the services of senior management or key personnel could have a material and adverse effect on the Company, its business and results of operations.

The Company's Activities might suffer Losses from or Liabilities for Risks which are not Insurable

The Company does not currently carry any form of political risk insurance, insurance for loss of or damage in respect of its equipment and property or any form of environmental liability insurance, since insurance is prohibitively expensive. The payment of any such liabilities would reduce the funds available to the Company. If the Company suffers damage to its equipment it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy.

There is Uncertainty in the Nature and Amount of the Company's Resources

While the Company has carried out, and will carry out on an annual basis, estimates of its mineral resources, this should not be construed as a guarantee that such estimates are accurate. If such estimates prove to be materially inaccurate, that would have a material and adverse effect on the Company's business and results of operations.

Pandemic Risk

The outbreak and spread of infectious diseases may have significant human, political, and economic consequences around the world, which full impact are difficult to determine. Their wide-ranging effects include financial market volatility, interest rate cuts, disrupted movement of people and goods, and diminished consumer confidence. The effects may be difficult to assess or predict with meaningful precision both generally and as an industry- or issuer-specific basis. This is an uncertain issue where actual effects will depend on many factors beyond the control and knowledge of the Company.

18. DISCLOSURE OF OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

As at September 30, 2018, the Company had 28,215,001 common shares issued and outstanding.

As at April 27, 2020, the Company has 43,163,184 common shares issued and outstanding.

As at April 27, 2020, the Company has 9,225,456 share purchase warrants exercisable at $0.30 per share until June 19, 2022 and 6,264,545 share purchase warrants exercisable at $0.30 per share until July 31, 2022.

As at April 27, 2020, the Company has 2,010,000 stock options exercisable at $0.20 per share until March 21, 2024 and 1,980,000 stock options exercisable at $0.30 per share until March 10, 2025.

19. COMMITMENTS, EXPECTED OR UNEXPECTED EVENTS, OR UNCERTAINTIES

The Company is party to agreements to acquire mineral properties that are disclosed in the accompanying financial statements.

The Company is party to consulting agreements that are disclosed in the accompanying financial statements.

Other than as disclosed in this MD&A and the accompanying financial statements, the Company does not have any commitments or expected events. The Company discloses various risks associated with its activities; however, future unexpected events or uncertainties may arise and negatively affect the Company's future activities.

20. BOARD OF DIRECTORS AND OFFICERS

On May 9, 2017, Emma Fairhurst was appointed as a director of the Company.

On February 1, 2018, Alistair Waddell was appointed as a director and Carl Swensson was appointed as Vice President, Exploration of the Company.

On May 9, 2018, Alistair Waddell was appointed as the President and Chief Executive Officer, Alain Voisin was appointed as the Chief Financial Officer, and Emma Fairhurst was appointed as the Corporate Secretary of the Company.

On March 20, 2019, Emma Fairhurst resigned as director and Corporate Secretary. Cecil R. Bond, Tero Kosonen, Stuart Smith and Wendell Zerb were appointed as directors and Sandra Wong was appointed as Corporate Secretary of the Company.

On December 10, 2019, Wendell Zerb was appointed as the Chairman of the Company.

As at the date of this report, the directors of the Company are Alistair Waddell (President and Chief Executive Officer), Wendell Zerb (Chairman), Cecil R. Bond, Tero Kosonen and Stuart Smith. Carl Swensson is Vice President, Exploration, Alain Voisin is CFO and Sandra Wong is Corporate Secretary.

On behalf of the Board,

INFLECTION RESOURCES LTD.

Alistair Waddell

President and Chief Executive Officer

SCHEDULE "C"
Audit Committee Charter

[*See attached*]

<u>INFLECTION RESOURCES LTD.</u>
<u>(the "Corporation")</u>

AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee will assist the board of directors of the Corporation (the "**Board**") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the audit committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each audit committee member must obtain an understanding of the principal responsibilities of audit committee membership as well and the Corporation's business, operations and risks.

2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Corporation. The audit committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the audit committee must not be officers, employees or control persons of the Corporation or of an affiliate of the Corporation.

2.2 Expertise of Committee Members

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the audit committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

3. Meetings

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Corporation's Chief Financial Officer and external auditors in separate executive sessions.

4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

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

(b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;

(c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

(d) review and recommend to the Board the compensation to be paid to the external auditors; and

(e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Corporation. In carrying out this duty, the audit committee shall:

(a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Corporation; and

(b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

(a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and

(b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

(a) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

(b) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and

(c) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

(a) review and approve the interim financial statements prior to their release to the public; and

(b) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

(a) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Corporation or any subsidiary of the Corporation shall be subject to the prior approval of the audit committee.

Delegation of Authority

(a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

(a) The audit committee may satisfy the requirement for the pre-approval of non- audit services if:

(i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiaries to the external auditor during the fiscal year in which the services are provided;

(ii) the Corporation and its subsidiaries did not recognize the services as non-audit services at the time of the engagement; and

(iii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

(a) The audit committee may also satisfy the requirement for the pre-approval of non- audit services by adopting specific policies and procedures for the engagement of non- audit services, if:

(i) the pre-approval policies and procedures are detailed as to the particular service;

(ii) the audit committee is informed of each non-audit service; and

(iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

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

(b) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;

(c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;

(d) review the policies and procedures in effect for considering officers' expenses and perquisites;

(e) perform other oversight functions as requested by the Board; and

(f) review and update this Charter and receive approval of changes to this Charter from the Board; and

(g) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and formal external auditor of the Corporation.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about audit committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

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

(b) set and pay the compensation for any advisors employed by the audit committee; and

(c) communicate directly with the internal and external auditors.

6. Guidance – Roles & Responsibilities

The following guidance is intended to provide the audit committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 Internal Control

(a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;

(b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and

(c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

6.2 Financial

Reporting General

(a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and

(b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and

(c) understand industry best practices and the Corporation’s adoption of them.

Annual Financial Statements

(a) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Corporation reports or trades its shares;

(b) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;

(c) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;

(d) consider management's handling of proposed audit adjustments identified by the external auditors; and

(e) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

(a) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;

(b) meet with management and the auditors (where considered necessary), either telephonically or in person, to review the interim financial statements; and

(c) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:

(i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;

(ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the Corporation's operations and financing practices;

(iii) generally accepted accounting principles have been consistently applied;

(iv) there are any actual or proposed changes in accounting or financial reporting practices;

(v) there are any significant or unusual events or transactions;

(vi) the Corporation's financial and operating controls are functioning effectively;

(vii) the Corporation has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and

(viii) the interim financial statements contain adequate and appropriate disclosures.

6.3 Compliance with Laws and Regulations

(a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";

(b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and

(c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

6.4 Other Responsibilities

(a) review, with the Corporation’s counsel, any legal matters that could have a significant impact on the Corporation’s financial statements.

CERTIFICATE OF THE COMPANY

Dated: April 27, 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, Alberta and Ontario.

"Alistair Waddell"	"Alain Voisin"
ALISTAIR WADDELL Chief Executive Officer	ALAIN VOISIN Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Wendell Zerb"	"Tero Kosonen"
WENDELL ZERB Director	TERO KOSONEN Director

CERTIFICATE OF THE PROMOTERS

Dated: April 27, 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, Alberta and Ontario.

"Alistair Waddell"	"Alain Voisin"
ALISTAIR WADDELL	ALAIN VOISIN
Chief Executive Officer	Chief Financial Officer

CERTIFICATE OF THE AGENT

Dated: April 27, 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, Alberta and Ontario.

HAYWOOD SECURITIES INC.

Per: "David Taylor"

DAVID TAYLOR
Corporate Finance Associate, Investment Banking