This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

PROSPECTUS

New Issue April 27, 2020

MAKARA MINING CORP.

409 Granville Street, Suite 1000
Vancouver, British Columbia
Canada V6C 1T2

2,087,913 Units on Exercise of 2,087,913 Outstanding Special Warrants

This prospectus (the "**Prospectus**") qualifies the distribution of 2,087,913 units (each, a "**Unit**") and the common shares and warrants of Makara Mining Corp. (the "**Company**") underlying such Units to be distributed, without additional payment, upon the exercise or deemed exercise of 2,087,913 issued and outstanding special warrants (each, a "**Special Warrant**") of the Company.

The Special Warrants are not available for purchase pursuant to this Prospectus and no additional funds are to be received by the Company from the distribution of the securities under this Prospectus upon the exercise or deemed exercise of the Special Warrants.

The Special Warrants were issued by the Company on a private placement basis (the "**Special Warrant Private Placement**") on February 7, 2020 (the "**Closing Date**"). On the Closing Date, the Company issued an aggregate of 2,098,413 Special Warrants at a price of $0.10 per Special Warrant and received gross proceeds of $209,841 from the sale of the Special Warrants. This Prospectus does not qualify the distribution of the 10,500 Units issued to subscribers resident in Alberta and Ontario.

Each Special Warrant entitles the holder to acquire, without further payment, one Unit. Each Unit will be comprised of one common share (a "**Unit Share**") of the Company and one share purchase warrant of the Company (a "**Warrant**"), each Warrant exercisable into one common share (a "**Warrant Share**") of the Company at an exercise price of $0.20 for two (2) years from the date the Company's shares commence trading on the Exchange. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the date on which a receipt (the "**Receipt**") for a final prospectus to qualify for distribution the Units is received by the Company from the British Columbia Securities Commission; and (b) one year from the Closing Date. Upon exercise or deemed exercise of the Special Warrants, and without additional payment therefor, the Company will issue 2,098,413 Units, 2,087,913 of which are being qualified under this Prospectus.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted on any stock exchange or quotation service.

Concurrently with the filing of this Prospectus, the Company intends to apply to list its issued and outstanding common shares (the "**Common Shares**"), the Unit Shares and Warrant Shares qualified under this Prospectus and all other Common Shares issuable as described in this Prospectus on the Canadian Securities Exchange (the "**Exchange**").

There is currently no market through which any of the securities being distributed under this Prospectus, may be sold, and purchasers may not be able to resell such securities acquired hereunder. This may affect the pricing of such securities in the secondary market, the transparency and availability of trading prices, the liquidity of such securities and the extent of issuer regulation. See "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements".

An investment in securities of the Company involves a high degree of risk and must be considered speculative due to the nature of the Company's business and the present stage of exploration of its mineral property. The risks outlined in this Prospectus and in the documents incorporated by reference herein should be carefully reviewed and considered by investors in connection with an investment in the Company's securities. See "Risk Factors".

No underwriter has been involved in the preparation of the Prospectus or performed any review or independent due diligence of the contents of the Prospectus.

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

Notwithstanding that this Prospectus is being filed to qualify the distribution of all securities issuable upon the exercise or deemed exercise of the Special Warrants, in the event that a holder of Special Warrants exercises such securities prior to the date that the Receipt is received by the Company, the securities issued upon exercise of such Special Warrants will be subject to statutory hold periods under applicable securities legislation and shall bear such legends as required by applicable securities laws.

Investors should rely only on the information contained in this Prospectus and the documents incorporated by reference herein. The Company has not authorized anyone to provide investors with information different from that contained in this Prospectus. The information contained in this Prospectus is accurate only as of the date of this Prospectus.

The Company's head office is located at 409 Granville Street, Suite 1000, Vancouver, British Columbia, Canada V6C 1T2. The Company's registered office is located at 6th Floor, 905 West Pender Street, Vancouver, BC, V6C 1L6.

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GLOSSARY

The following is a glossary of certain terms used in this Prospectus. Terms and abbreviations used in the financial statements of the Company may be defined separately and the terms defined below may not be used therein.

"**Author**" means Muzaffer Sultan, Ph.D., P.Geo., the author of the Technical Report;

"**Board**" means the Board of Directors of the Company;

"**Canstar**" means Canstar Resources Inc., the previous owner of the Property prior to it being sold to the Optionor in 2019;

"**Closing Date**" means February 7, 2020;

"**Common Shares**" means the common shares in the capital of the Company and "**Common Share**" means any one of them;

"**Company**" means Makara Mining Corp.;

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

"**Escrow Agreement**" means the NP 46-201 escrow agreement dated April 24, 2020 among the Escrow Agent, the Company and various Principals and shareholders of the Company;

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

"**First Private Placement**" means the non-brokered private placement financing by the Company conducted on October 4, 2019, and consisting of an aggregate of 1,000,000 Common Shares at a price of $0.005 per Share;

"**Legacy Royalty**" means the 4.5% net smelter royalty in favour of Canstar and other previous owners of the Property.

"**Listing Date**" means the date on which the Common Shares of the Company are listed for trading on the Exchange;

"**Net Smelter Return**" or "**NSR**" means a 1% net smelter royalty interest in the Property granted to the Optionor upon the commencement of commercial production from the Property, as more particularly described in the Property Agreement.

"**NI 41-101**" means National Instrument 41-101 *General Prospectus Requirements* of the Canadian Securities Administrators;

"**NI 43-101**" means National Instrument 43-101 *Standards of Disclosure for Mineral Properties* of the Canadian Securities Administrators;

"**NI 52-110**" means National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators;

"**NI 58-101**" means National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators;

"**NP 46-201**" means National Policy 46-201 *Escrow for Initial Public Offerings* of the Canadian Securities Administrators;

"**NP 58-201**" means National Policy 58-201 *Corporate Governance Guidelines* of the Canadian Securities Administrators;

"**Optionor**" means Alex Pleson, the vendor in the Property Agreement.

"**Pooling Agreement**" means the voluntary pooling agreement entered into among the Company, Grant Hendrickson and Andrew von Kursell, dated April 24, 2020, pursuant to which the 1,000,000 Common Shares held by such Principals may not be traded, sold, or otherwise disposed of until the date that is 24 months from the Listing Date.

"**Principal**" of an issuer means:

(a) a person or company who acted as a promoter of the issuer within two years before the prospectus;

(b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the prospectus;

(c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's initial public offering; or

(d) a 10% holder – a person or company that:

   (i) holds securities carrying more than 10% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's initial public offering, and

   (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries;

"**Private Placements**" means the First Private Placement, the Second Private Placement, the Third Private Placement, and the Special Warrant Private Placement, collectively.

"**Property**" or "**Kenora Gold Property"** means the claims comprising the the Kenora Gold Property located in Northwestern Ontario.

"**Property Agreement**" means the Property Purchase Option Agreement between the Company and Alex Pleson, dated November 24, 2019, pursuant to which the Company has the sole and exclusive right to acquire up to a 100% interest in the Property.

"**Prospectus**" means final prospectus with respect to the qualification of the distribution of Units, as the case may be;

"**Qualified Person**" means an individual who:

(a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these;

(b) has experience relevant to the subject matter of the Property and of the Technical Report; and

(c) is in good standing with a professional association and, in the case of a foreign association listed in Appendix A of NI 43-101, has the corresponding designation in Appendix A of NI 43-101;

"**Second Private Placement**" means the non-brokered private placement financing by the Company conducted on November 21, 2019, and consisting of an aggregate of 9,999,633 Common Shares at a price of $0.02 per Share;

"**Special Warrant**" means a special warrant issued by the Company entitling the holder the right to acquire, without additional payment, one Unit for each Special Warrant held;

"**Special Warrant Private Placement**" means the private placement closed by the Company on February 7, 2020 of 2,098,413 Special Warrants at a price of $0.10 per Special Warrant for total gross proceeds of $209,841;

"**Unit Shares**" means the 2,098,413 Common Shares of the Company to be issued on exercise or deemed exercise of the Special Warrants, 2,087,913 of which are being qualified under this Prospectus;

"**Technical Report**" means the report on the Property prepared for the Company by the Author, dated April 14, 2020, in accordance with NI 43-101;

"**Third Private Placement**" means the non-brokered private placement financing by the Company conducted on December 12, 2019, and consisting of an aggregate of 3,998,640 units at a price of $0.05 per unit, each such unit comprised of one Common Share and one common share purchase warrant, each such warrant entitling the holder to purchase one Common Share at a price of $0.10 for a period of two (2) years from the date the Company's shares commence trading on the Exchange;

"**Warrants**" means the 2,098,413 share purchase warrants being issued on exercise or deemed exercise of the Special Warrants, and exercisable into one Warrant Share at an exercise price of $0.20 for two (2) years from the date the Company's shares commence trading on the Exchange; and

"**Warrant Share**" means the Common Share into which each Warrant is exercisable, and which are being qualified under this Prospectus.

CURRENCY

In this Prospectus, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to $ are to Canadian dollars.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact relating to the Company, certain statements in this Prospectus may constitute forward-looking information, future oriented financial information, or financial outlooks (collectively, "forward looking information") within the meaning of Canadian securities laws. Forward-looking information may relate to this Prospectus, the Company's future outlook and anticipated events or results and, in some cases, can be identified by terminology such as "may", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "projects", "predict", "potential", "targeted", "possible", "continue" or other similar expressions concerning matters that are not historical facts and include, but are not limited in any manner to, those with respect to commodity prices, mineral resources, mineral reserves, realization of mineral reserves, existence or realization of mineral resource estimates, the timing and amount of future production, the timing of construction of any proposed mine and process facilities, capital and operating expenditures, the timing of receipt of permits, rights and authorizations, and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable. In particular, this Prospectus contains forward-looking statements pertaining to the following:

- proposed expenditures for exploration work, and general and administrative expenses (see "Property Description and Location" and " Use of Available Funds" for further details);

- expectations generally about the Company's business plans and its ability to raise further capital for corporate purposes; and

- treatment under applicable governmental regimes for permitting and approvals (see "Risk Factors").

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

Upon becoming a reporting issuer, the Company intends to discuss in its quarterly and annual reports referred to as the Company’s Management’s Discussion & Analysis documents, any events and circumstances that occurred during the period to which such document relates that are reasonably likely to cause actual events or circumstances to differ materially from those disclosed in the Prospectus. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

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

PROSPECTUS SUMMARY

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

Principal Business of the Company:	The Company is currently engaged in the business of exploration of mineral properties in Canada. Upon the performance of each of the Company's obligations under the Property Agreement, the Company will acquire the 100% right, title and interest in and to the Property, subject to the Legacy Royalty and the NSR. The Company's objective is to explore and, if warranted, develop the Property. It is the intention of the Company to remain in the mineral exploration business. Should the Property not be deemed viable, the Company shall explore opportunities to acquire interests in other properties. See "Description of the Business".
Management, Directors & Officers:	Grant Hendrickson — President, Chief Executive Officer and Director Andrew H. von Kursell — Chief Financial Officer, Director John Arthur Fiddick — Director Peter Espig — Director See "Directors and Executive Officers".
The Property:	The Property is an exploration stage property that consists of 40 mining cell claims, totaling approximately 800 hectares in the Jeffray, Haycock, and Pettypiece townships in Kenora Mining District of Northwestern Ontario. See "The Kenora Property".
Special Warrants:	This Prospectus is being filed to qualify the distribution in the Province of British Columbia of 2,087,913 Units, and the underlying Unit Shares and Warrants, issuable to the holders of a total of 2,087,913 Special Warrants, upon the automatic exercise of those Special Warrants. The Special Warrants will automatically convert at 5:00 p.m. on the date that is the earlier of: (a) the third business day after the date on which a receipt for a final prospectus to qualify for distribution the Units is received by the Company from the British Columbia Securities Commission; and (b) one year from the Closing Date. The 10,500 Units to be issued to subscribers resident in Alberta and Ontario are not being qualified under this Prospectus. The Special Warrants were issued on February 7, 2020 at a price of $0.10 per Special Warrant, and there will be no additional proceeds to the Company from the exercise of the Special Warrants.
Listing:	The Company intends to apply to have its Common Shares listed on the Exchange. Listing is subject to the Company fulfilling all of the requirements of the Exchange, including minimum public distribution requirements. See "Plan of Distribution".
Use of Available Funds:	The Company's estimated working capital as of March 31, 2020, the most recent month end, is approximately $484,275. The expected principal purposes for which the available funds will be used are described below:

To pay for the Phase I exploration program expenditures on the Property(1)	$139,200
To pay the second cash installment of the purchase price under the Property Agreement	$30,000
Initial Listing Fees(2)	$60,000

To pay for general and administrative costs for next 12 months	$102,000
Unallocated working capital	$153,075
TOTAL:	**$484,275**

1. See "The Kenora Property – Recommendations".
2. Including legal, audit, securities commissions and Exchange fees.

Summary of Financial Information: The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of the Company for the period ended December 31, 2019 and the notes thereto included in this Prospectus and should be read in conjunction with those financial statements and related notes thereto, along with the Management's Discussion and Analysis included in this Prospectus. All financial statements are prepared in accordance with IFRS. The Company's financial year end is December 31.

	As at and for the period ended December 31, 2019 ($) (audited)
Revenue	Nil
Total Expenses	54,256
Net loss and comprehensive loss for the period	(54,256)
Loss per share (basic and diluted)	(0.01)
Current Assets	340,236
Total Assets	380,236
Current Liabilities	14,567
Long Term Debt	Nil
Shareholders' Equity (Deficit)	365,669

See "Management's Discussion and Analysis".

Risk Factors: An investment in the securities of the Company should be considered highly speculative and investors may incur a loss on their investment. The Company only has an option to acquire an interest in the Property. There is no guarantee that the Company will be able to meet its obligations under the Property Agreement. The risks, uncertainties and other factors, many of which are beyond the control of the Company, that could influence actual results include, but are not limited to: insufficient capital; limited operating history; lack of operating cash flow; there is not presently an active market for the Common Shares; the future price of the Common Shares will vary depending on factors unrelated to the Company's performance or intrinsic fair value; the Company's ability to discover, market and develop commercial quantities of ore is uncertain; some aspects of the Company's operations entail risk that cannot be insured against or may not be covered by insurance; the calculation of the economic value of ore is subject to a high degree of variability and uncertainty; some of the Company's mineral claims have not yet been surveyed; if the Company cannot raise additional equity financing, then it may lose some or all of its interest in the Property; risks related to the COVID-19 outbreak; the Company is an early stage Company; the Company operates at a loss and may never generate a profit; the Company operates in a highly competitive environment; the Company operates in a highly regulated environment that is subject to changes, some unforeseen, to government policy; unasserted aboriginal title claims and risks related to First Nations land use; the Company operates in an environment with significant environmental and safety regulations and risks; regulatory requirements; the impact of non-governmental organizations, public interest groups and reporting organizations on the Company's operations and on mining exploration as a whole; volatility of mineral prices; some of the Company's directors have involvement in other companies in the same sector; and price volatility of publicly traded securities. See the section entitled "Risk Factors" for details of these and other risks relating to the Company's business.

CORPORATE STRUCTURE

Name and Incorporation

Makara Mining Corp. was incorporated under the *Business Corporations Act* (British Columbia) on September 17, 2019. The Company's registered and records office is located at 6th Floor, 905 West Pender Street, Vancouver, BC, V6C 1L6. The Company's head office is located at 409 Granville Street, Suite 1000, Vancouver, British Columbia, Canada V6C 1T2.

Inter-corporate Relationships

The Company has no subsidiaries.

DESCRIPTION OF THE BUSINESS

The Company is engaged in the business of mineral exploration in Canada and its objective is to locate and, if warranted, develop economic mineral properties.

Upon completing its obligations under the Property Agreement, the Company will hold a 100% interest in the 40 mining cell claims, totaling approximately 800 hectares, comprising the Property. The Property Agreement with the Optionor is an arm's length transaction. Under the terms of the Property Agreement, the Company shall pay to the Optionor a total of $110,000 ($40,000 of which has been paid as of the date of this Prospectus), incur a minimum of $360,000 in exploration expenditures, and issue to the Optionor a total of 700,000 Common Shares. Upon the completion of the foregoing, the Company will acquire a 100% interest in the Property, subject to (i) the Company's grant of a 1% net smelter royalty to the Optionor upon the commencement of commercial production from the Property (the "**NSR**") (ii) and the 4.5% net smelter royalty currently in favour of Canstar and other previous owners of the Property (the "**Legacy Royalty**"). The Company has the right to purchase one-half of the NSR for $500,000, thereby reducing the NSR to 0.5%.

As of the date of this Prospectus, the Company has made a payment of $40,000 to the Optionor under the Property Agreement. The closing of the Property Agreement is conditional on: (i) the Company making a $30,000 payment on the first anniversary of the Listing Date and a $40,000 payment on of before the second anniversary of the Property Agreement; (ii) the Company spending a minimum of $110,000 on exploration in the first year of the term of the Property Agreement and spending a minimum of an additional $250,000 on exploration on or before the second anniversary of the Property Agreement; and (iii) the Company issuing to the Optionor 300,000 Common Shares on the first anniversary of the Listing Date and 400,000 Common Shares on or before the second anniversary of the Property Agreement. See "The Kenora Property".

Stated Business Objectives

The Property is in the exploration stage. The Company intends to use the net proceeds raised under the Special Warrants Private Placement to carry out the Phase 1 exploration program for the Property, which is budgeted for $139,200. See "The Kenora Property - Recommendations" and "Use of Available Funds".

The exploration, and if warranted, development of the Property may depend on specialized skills and knowledge possessed by directors and officers of the Company that are applicable to the mining industry. As of the date of this Prospectus, the Company had two full-time consultants. The Company's leadership team is composed of the following: (i) Grant Hendickson – Chief Executive Officer, President and a Director; (ii) Andrew H. von Kursell –

Chief Financial Officer and a Director; (iii) Geoff Balderson – Corporate Secretary[1]; (iv) John Arthur Fiddick – a Director; and (v) Peter Espig – a Director. The mineral exploration and development industry is very competitive.

As an emerging issuer, the Company is subject to numerous competitive conditions such as need for additional capital and commercial viability of the Property.

History

Following incorporation, the Company was capitalized by completing the following Private Placements: (i) the First Private Placement, which raised $5,000 through the issuance of 1,000,000 Common Shares; (ii) the Second Private Placement, which raised $199,993 through the issuance of 9,999,633 Common Shares; (iii) the Third Private Placement, which raised $199,932 through the issuance of 3,998,640 units at a price of $0.05 per unit, each such unit comprised of one Common Share and one common share purchase warrant, each such warrant entitling the holder to purchase one Common Share at a price of $0.10 for a period of two (2) years from the date the Company's shares commence trading on the Exchange; and (iv) the Special Warrant Private Placement, which raised $209,841 through the issuance of 2,098,413 Special Warrants. To date, funds raised from the Private Placements have been used to identify and enter into an agreement to acquire a mineral project, specifically, the Property Agreement, for filing fees, professional expenses, regulatory expenses and for general working capital.

THE KENORA PROPERTY

The information in this Prospectus with respect to the Property is derived from the Technical Report dated April 14, 2020 prepared for the Company in accordance with NI 43-101 by Muzaffer Sultan, PhD, P.Geo. Ms. Sultan is an independent Qualified Person for the purposes of NI 43-101. The full text of the Technical Report is available for review at the registered office of the Company at 6th Floor, 905 West Pender Street, Vancouver, BC V6C 1L6 and is available online under the Company's SEDAR profile at www.sedar.com.

Property Description and Location

The Property consists of 40 mining cell claims (the "**Claims**") totalling approximately 800 hectares land in Jaffray, Haycock, and Pettypiece townships in Kenora Mining District of Northwestern Ontario, Canada (Figure 1 and 2). It is located about 488 kilometers to the west of Thunder Bay and 209 kilometres to the east of Winnipeg, near the eastern city limits of Kenora to Black Sturgeon Lake in the northeast and Haycock Lake in the east. The Claims were originally staked on ground by erecting physical posts as required by claim staking regulations in Ontario.

The Claims were originally staked on ground by erecting physical posts as required by claim staking regulations in Ontario. As part of the process to update the provincial *Mining Act*, Ontario has launched a new online, self-service claim staking system in 2018. The new electronic *Mining Lands Administration System* (MLAS) replaces the province's century-old traditional ground staking methods. All the mining claims in Ontario, which existed prior to the modernization (legacy claims in the new parlance), have been converted to what are now known as cell claims or boundary claims. A cell claim is a mining claim that relates to all the land included in one or more cells on the provincial grid. A boundary claim is a claim that is made up of only a part or parts of one or more cells.

All cell mining claims are subject to $200 - $400 per unit worth of eligible assessment work to be undertaken before their expiry date as shown in Table 1 below. The Property is subject to annual assessment work requirements of $12,000.00. Eighteen of the claims comprising the Property have enough work credit to keep them in good standing for several years if the amount available in Exploration Reserve (see Table 1) is applied before their respective expiry dates.

1 Mr. Balderson is not considered an officer of the Company. In exchange for Mr. Balderson's services as corporate secretary, the Company pays monthly fees to Harmony Corporate Services Ltd., a company that is wholly-owned by Mr. Balderson, as further discussed under "USE OF AVAILABLE FUNDS - Funds Available and Principal Purposes".

The mineral claims comprising the Property do not include surface rights. The Ontario Mining Act provides legal access for exploration purposes. Before undertaking certain early exploration activities, an exploration plan or permit must be submitted, and notification provided to any surface rights owner(s).

There are several Aboriginal communities and organizations in the Kenora area. Asubpeeschoseewagong First Nation (also known as Grassy Narrows First Nation or the Asabiinyashkosiwagong Nitam-Anishinaabeg in the Ojibwe language) is an Ojibwe First Nations band government who inhabit northern Kenora in Ontario, Canada. Their land base is the 4,145 ha (10,240 acres) English River 21 Indian Reserve. Any exploration and mining work in on the Property will need to be carried out in consultation with these communities. See "*Risk Factors*".

Claim data is summarized in Table 1, while a map showing the Claims is presented in Figure 2. There is no past producing mine on the Property and there were no historical mineral resource or mineral reserve estimates documented.

There are no known environmental liabilities. An exploration work permit for trenching, channel sampling and drilling is in place for the Property which will need to be revised to include the Company as an operator.

Table 1: List of Property Claims

Tenure ID	Township / Area	Tenure Type	Expiry Date	Tenure Status	Work Required	Work Applied	Total Available Exploration Reserve
101360	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$200	$11
298354	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$400	$11
213543	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$200	$11
165621	JAFFRAY	Boundary Cell Mining Claim	2020-07-18	Active	$200	$200	$11
101361	JAFFRAY	Boundary Cell Mining Claim	2020-07-18	Active	$200	$200	$11
104865	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$200	$200	$12,737
339985	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$200	$12,748
336174	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$200	$200	$12,737
325203	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$400	$12,737
308047	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$200	$200	$12,737
287809	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$200	$200	$12,737
241397	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$200	$200	$12,737
223531	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$200	$200	$12,737
211486	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$400	$12,748
174665	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$200	$12,737
172510	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$400	$14,337
172509	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$200	$200	$12,737
154513	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$400	$13,137
139462	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$200	$12,737
139461	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$200	$200	$12,737
127999	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$200	$12,737
127998	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$400	$12,737
127997	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$200	$200	$12,737
101098	JAFFRAY	Single Cell Mining Claim	2020-09-10	Active	$400	$432	$36
173606	HAYCOCK	Single Cell Mining Claim	2023-02-01	Active	$200	$800	$0
203852	HAYCOCK	Single Cell Mining Claim	2022-02-01	Active	$400	$1,200	$0

203853	HAYCOCK	Single Cell Mining Claim	2022-02-01	Active	$400	$1,200	$0
239784	HAYCOCK	Single Cell Mining Claim	2021-02-01	Active	$400	$800	$200
247846	HAYCOCK	Single Cell Mining Claim	2021-02-01	Active	$400	$800	$400
247847	HAYCOCK	Single Cell Mining Claim	2021-02-01	Active	$200	$400	$176
143489	JAFFRAY	Boundary Cell Mining Claim	2020-07-18	Active	$200	$200	$11
211487	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$400	$200	$11
163610	JAFFRAY	Single Cell Mining Claim	2020-07-18	Active	$200	$200	$12,737
228373	HAYCOCK, PETTYPIECE	Single Cell Mining Claim	2020-07-03	Active	$200	$200	$36
336012	HAYCOCK, JAFFRAY, PETTYPIECE	Single Cell Mining Claim	2020-07-03	Active	$200	$200	$36
174425	HAYCOCK, JAFFRAY	Single Cell Mining Claim	2020-07-03	Active	$200	$200	$36
336013	HAYCOCK	Single Cell Mining Claim	2020-07-03	Active	$200	$200	$36
228388	HAYCOCK	Single Cell Mining Claim	2020-07-03	Active	$400	$419	$0
174444	HAYCOCK, PETTYPIECE	Single Cell Mining Claim	2020-07-03	Active	$400	$406	$19
220399	HAYCOCK	Single Cell Mining Claim	2020-07-03	Active	$200	$200	$36
Total					**$12,000**	**$13,857**	**$245,113**

Figure 1: Property Location Map

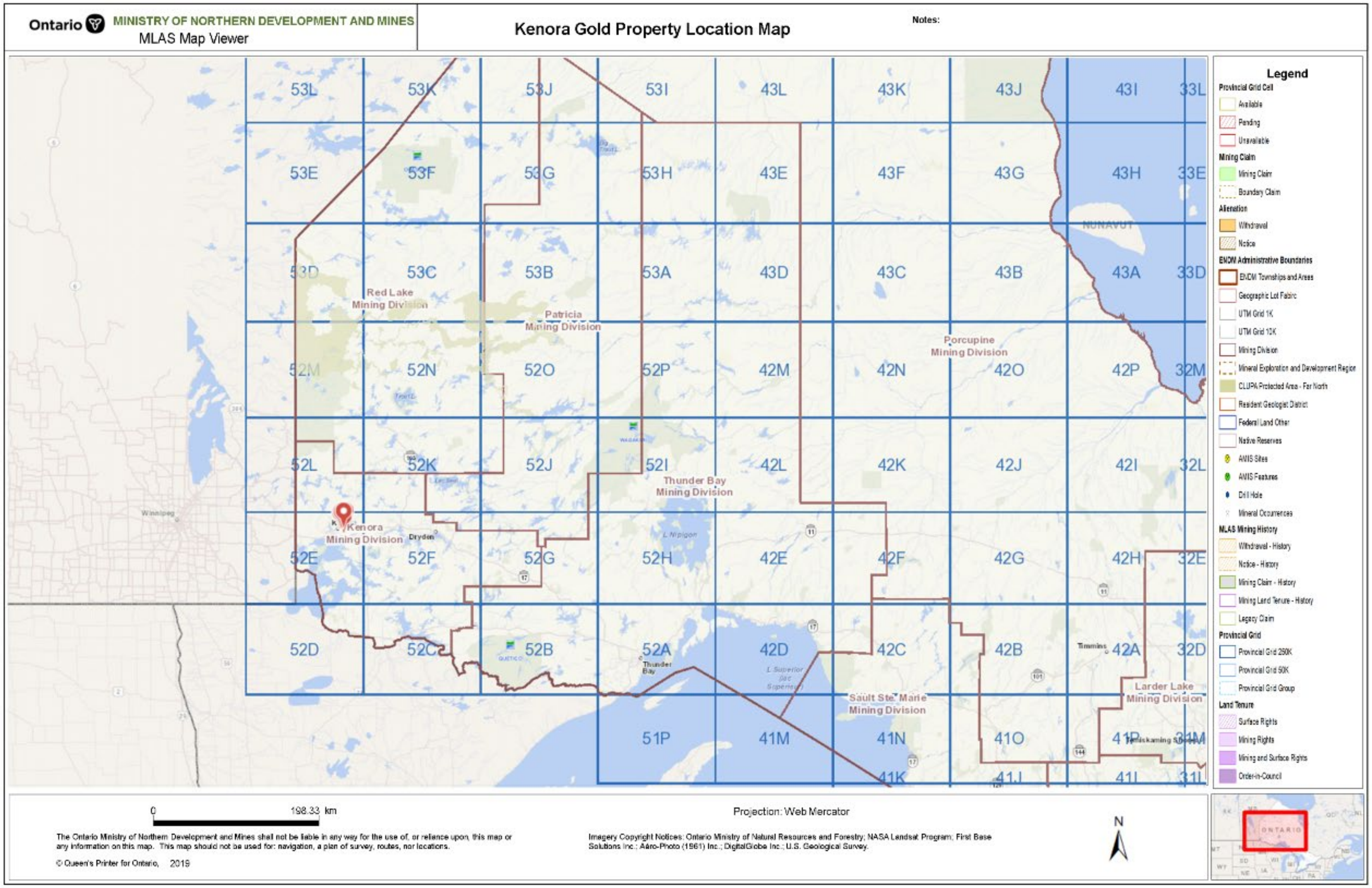
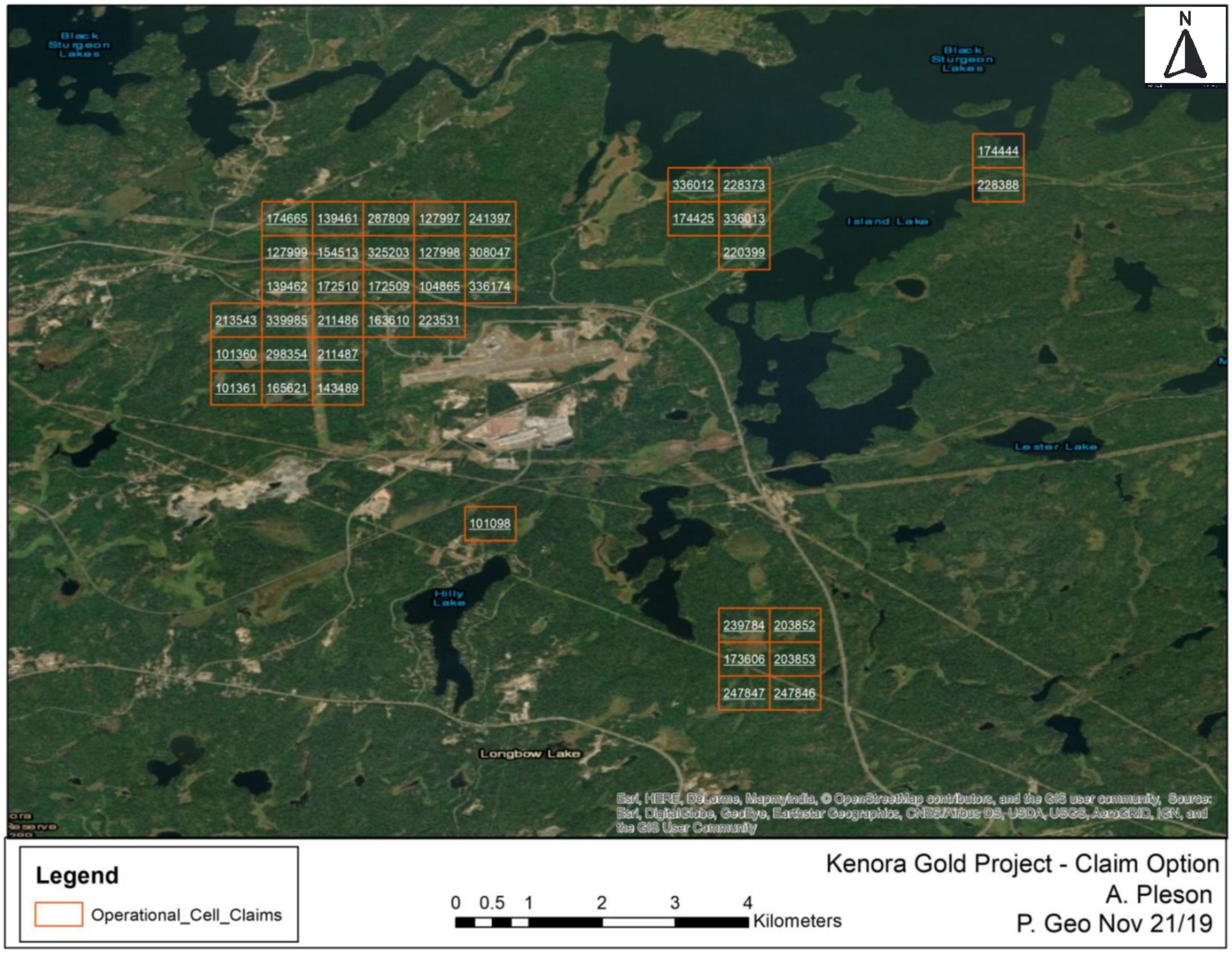


Figure 2: Claim Map



Access, Climate, Physiology, Local Resources, and Infrastructure

<u>Access</u>

The Property covers 5 separate blocks totaling approximately 800 hectares of land. The Property is located from the eastern city limits of Kenora to Black Sturgeon Lake in the northeast and Haycock Lake in the east (Figures 1 and 2). The TransCanada Highway's #17A and #17B cut through the Property and provide the bulk of the access. Highway 671 to Grassy Narrows I.R. provides access to the northern property boundary. An intense network of snowmobile and quad trails allows easy access to 90% of the claims while some surveys areas are best accessed by canoe on Black Sturgeon Lake and Island Lake.

The Canadian Pacific Railway (CP) mainline railway transects through the central portion of the Property as well as both natural gas and hydro transmission lines. The 2016 and 2017 exploration programs for drilling and trenching were accessed via trails off Airport Road, close to the Kenora Airport.

<u>Climate</u>

The climate on the Property mirrors that of Kenora town. A portion of the Property surrounds the city airport where Environment Canada monitors the weather conditions. The 30-year temperature range is -56.7°C to 35.8°C whereas the average annual temperatures is shown in Figure 3. The average annual precipitation for Kenora is 662 cm, with a higher density of precipitation in the spring, and about 160 mm falls as snow. Typical snow accumulations, in the eight-month period, September to May, range from 0.8 to 32 cm with typical peak accumulations in the period November to January. However, extreme snow falls of greater than 20 cm have been recorded for September to May. Most rainfall occurs in the period, May to September with monthly average greater than 70 mm. It ranges from 72 to 118 mm, with recorded peak 24-h storms of 150 mm. Exploration work such as geological mapping, prospecting, trenching and sampling can be carried out during summer months, whereas drilling and geophysical surveying can be done throughout the year.

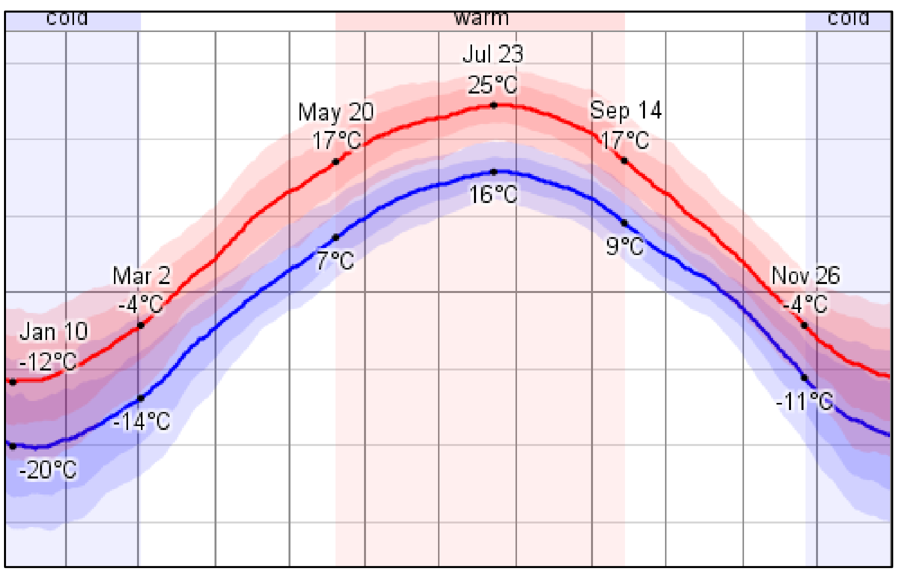


Figure 3: Kenora Average Annual Temperatures (Source: Weatherspark.com)

<u>Physiology</u>

Physiography of the Property (Figure 4) is typical of the Canadian Shield, with large competent outcrops surrounded by lakes and swamps. The property comprises broadly rolling surfaces of Canadian Shield bedrock that occupies most of northwestern Ontario and which is either exposed at surface or shallowly covered with Quaternary glacial deposits. Modest topographic relief is exhibited throughout the property due to the density of intrusive bodies. Local topographic relief is limited to less than 100 m in typical Precambrian glaciated terrain and is mantled by low swamp or muskeg areas. In the low-lying areas, often underlain by recessively weathered rocks, there is a thin veneer of glacial till, whereas the higher areas are occupied by scoured outcrops of intrusives.

Mature coniferous forests cover most of the property, with sporadic young regeneration of deciduous trees due to past logging operations. The Property area is covered by boreal forest with the dominant species being Jack pine and Black Spruce. Willow shrubs and grasses dominate the low marshy areas. The land surface within the area varies somewhat from the region in that there is considerable relief between the lakes in most areas and the ground surface.

Local Resources and Infrastructure

The Property is located near the town of Kenora which has a population of around 15,000 people. The population balloons in the spring and summer to almost double the normal population when summer residents move in. The Lake of the Woods and numerous smaller lakes situated all around Kenora are the major draw for cottagers who summer here. Many are from the neighboring province of Manitoba and the state of Minnesota. Local economy is based on mining, forestry and tourism.

A Canadian Pacific (CP) rail corridor runs approximately parallel to Highway 17 through the area also, as does a natural gas pipeline. There are two primary transmission corridors through the area. There are several lakes, rivers and creeks in and around the Property area which can be a source of water for exploration work. Kenora airport is served by Bearskin Airlines.

City of Winnipeg is located approximately 200 kilometres to the west of the Property. It is the capital and the largest city of the province of Manitoba with a population of 778,500. Known as the “Gateway to the West”, Winnipeg is a railway and transportation hub with a diversified economy.

The town of Thunder Bay, located about 488 kilometres from the Property, is the largest city in Northwestern Ontario, serving as a regional commercial centre. The town is a major source of workforce, contracting services, and transportation for the forestry, pulp and paper and mining industry. Thunder Bay is a transportation hub for Canada, as the TransCanada highways 11 and 17 link eastern and western Canada. It is close to the Canada-U.S. border and highway 61 links Thunder Bay with Minnesota, United States. Thunder Bay has an international airport with daily flights to Toronto, Ontario and Winnipeg, Manitoba and the United States. There is a large port facility on the St. Lawrence Seaway System which is a principal north-south route from the Upper Midwest to the Gulf of Mexico.

The cities of Thunder Bay and Winnipeg have most of the required supplies for exploration work including grocery stores, hardware stores, exploration equipment supply stores, restaurants, hotels, and a hospital. Many junior exploration and mining companies are based in Thunder Bay, and thus the city is a source of skilled mining labour.

History

Gold mineralization was observed in the Property area as early as 1894. Previous gold and silver production occurred at the Scramble Mine located ~200 meters east of the Property although no production data is available. Various other shafts are located throughout the property with no verified production data. The area lay dormant until 1984 when various exploration companies picked up surrounding properties and commenced work. Notable exploration activities include prospecting, drilling and trenching near the eastern shores of Breakneck Lake and the southern shores of Black Sturgeon Lake. These activities lead to discovery and development of several showings which were explored and mined near the start of the 20th century. Canstar was an owner and operator of the Property and carried out exploration work during 2014-17 period. In 2019, Canstar sold the Property to the Optionor**,** subject to the Legacy Royalty. The following work summary is taken from four assessment work reports filed by Canstar (Assessment Report # 2.57014, dated July 18, 2016; # 2.56963, dated August 31, 2016; # 2.58034, dated August 01, 2017 and # 2.58383, dated December 23, 2017).

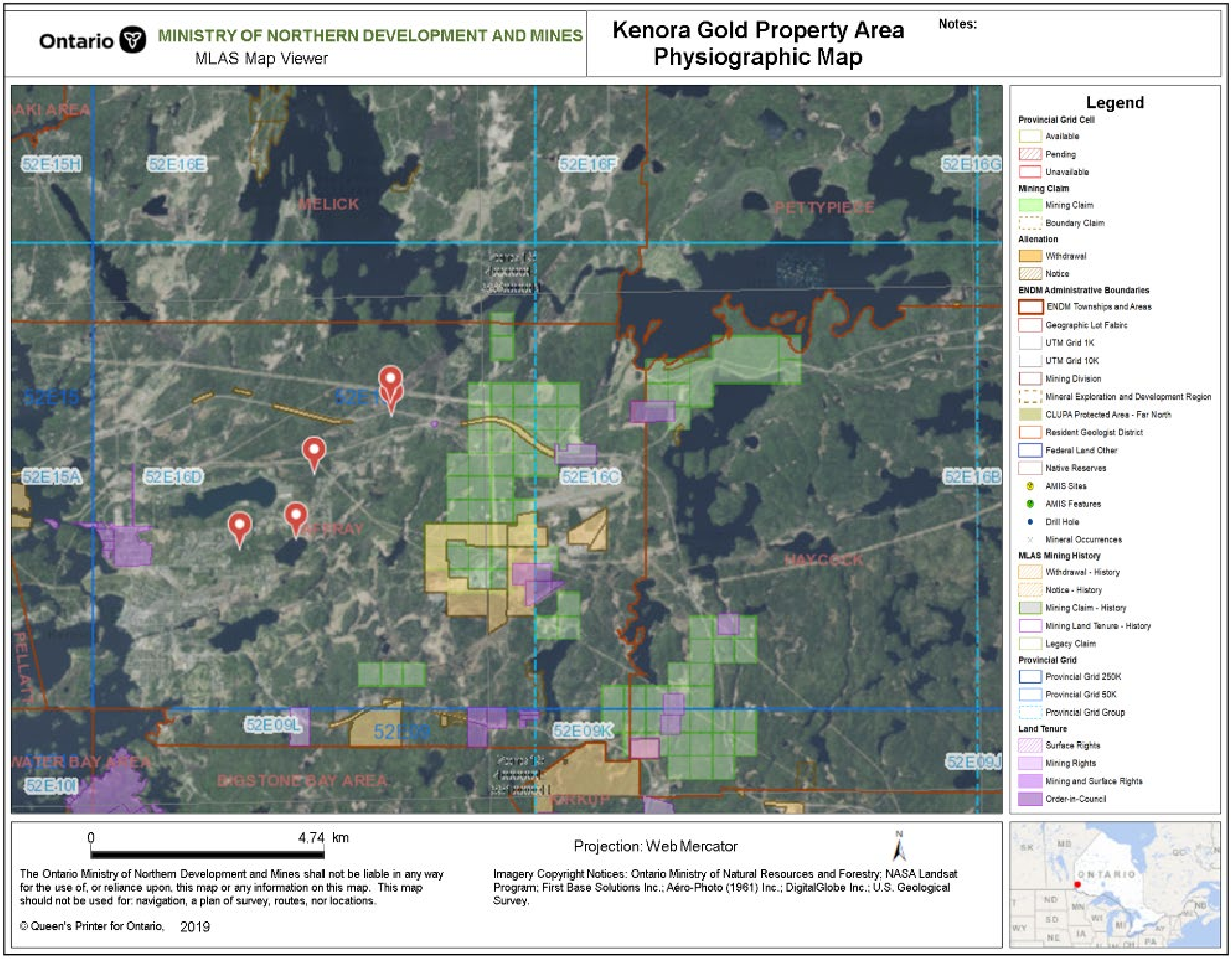


Figure 4: Physiographic map of the Property area (Source: MLAS)

Canstar Exploration Program 2014 – 16

In the summer of 2014 Canstar conducted a small reconnaissance mapping program including sampling. The Property was developed to locate various structures that have the potential for gold mineralization. The Property also intended to re-examine historic occurrences and evaluate their economic potential. Of approximately 108 samples, 25 samples yielded high-grade gold mineralization near or in shear zones. This prompted the design and implementation of a Soil Gas Hydrocarbons (SGH) survey which is an organic geochemistry that detects Hydrocarbon signatures in surficial samples to locate and identify deeply buried mineralization targets. The purpose of SGH soil survey completed in 2014 was to test the continuity of the gold bearing structures across the Property.

A subsequent prospecting campaign in April and May 2015 was completed to evaluate these findings and lead to the discovery of new showings near the historical Rajah, Roseman, Westin and Triumph occurrences. This program was extremely successful in locating new showings and confirming the potential of the historic showings. The highlight of the campaign was discovering a 68 g/t sample in a near mineralized shear zone east of the Triumph and Treasure Showing and a 9.8 g/t sample from a shear zone at the Westin occurrence which originally was thought to only consist of high-grade Au in quartz veins.

In 2015-17 Canstar completed prospecting and trenching over several locations on the Property. A total of 85 samples were collected over 7 channels with additional 7 chip samples following the Company's most recent reconnaissance program which highlighted a number of high-grade gold-bearing areas on the Property.

Highlights from this channel sampling program include:

- An 18.0-meter-wide channel containing 2.0 g/t gold including 5.0 meters containing 6.8 g/t gold on its Aviator trend;
- A 2.7 meter long select chip sample containing 5.0 g/t gold on its Hilly Lake trend;
- A 1.4 meter wide channel containing 1.8 g/t gold on its Black Sturgeon trend; and
- Discovery of a new showing parallel to the Aviator trend containing a select channel sample of 0.7 meters containing 1.7 g/t dubbed "Avro East".

The discovery of 18.0 wide meter channel sample on the Aviator Trend led Canstar to focus additional work on this trend in 2016 (Figure 5). This channel was named the "Ace Showing." Follow-up work on the Ace Showing was completed in consideration that the 18.0 meter wide channel sample was limited by a lack of outcrop exposure.

Additional trenching allowed for greater exposure and sampling channels were extended to either side; highlights from this work include:

- The east side of the channel was extended by 5.5 meters and yielded gold values of 8.0 g/t over this length.
- The west side returned a 4.5-meter section grading 0.6 g/t.
- In total, the channel extends for 29.3 meters grading 3.1 g/t over its width, removing the low-grade west channel extension yields values of 3.6 g/t of 24.8 meters.

Previous results from the Westin Showing returned high-grade samples of up to 15.8 g/t. New trenching over this area resulted in additional high-grade assays, including the following highlights:

- 0.3-meter channel containing 15.4 g/t gold.
- 0.15-meter channel containing 10.8 g/t gold.

Figure 5: 2015-16 Trenching map

Canstar Diamond Drilling and Trenching Program 2017

In 2017, Canstar completed a diamond core drilling program on the Property which was aimed to test previous targets identified during exploration work in 2014-16 and other historical work.

A total of 19 holes were drilled (based on personal communication with the Optionor). However, the data is available for eight holes (Figure 6). The cumulative depth of these eight holes is 1,268 meters. As this represented one of the first drilling programs in the area after a long time, all holes were sampled in completion, for a total of 1,317 samples. Drilling, core logging, sampling and assaying work commenced in Jan-March 2017, data compilation and technical assessment work report on drill program was completed and filed on December 23, 2017. The total cost of this program was $248,353.64. From June to August 2017, Canstar also completed a trenching and sampling program, comprised of fieldwork, lab work for sample preparation and analysis and data compilation and reporting, at a cost of $54,635. A total of 29 grab rock samples and 22 channel samples were collected as part of this program. The prospecting and grab sampling results show anomalous gold values, however the trenching and channel sampling failed to intersect significant mineralization.

Table 2 shows the collar header table for the drilling program indicated location in UTM coordinates, azimuth, dip and length.

Table 2: 2017 Drill holes detail

Drill Hole ID	Coordinates		Elevation (MSL)	Azimuth (deg)	Dip (angle)	Length of hole (m)	Number of samples	Average RQD
	Easting	Northing						
KG17-01	400568	5516970	384	125	-45	161	210	89.9
KG17-02	400568	5516923	376	145	-45	155	192	84.7
KG17-03	400601	5516989	376	160	-45	182	227	89.6
KG17-04	400582	5517003	376	117	-45	146	181	92.5
KG17-05	400588	5517008	378	130	-45	176	210	89.9
KG17-06	400610	5517013	379	305	-45	104	124	93.3
KG17-07	400756	5516990	409	310	-45	25	27	80.8
KG17-08	400756	5516990	409	310	-64	113	146	90.5

Highlights from the drilling program are tabulated in Table 3. The most significant results the program was in hole KG17-08, which intercepted 22 meters of 0.5 g/t gold including 1 g/t gold over 3 meters. The program was successful in intercepting several zones of low-grade mineralization at depth, interpreted to be associated with the Ace Showing, including:

- 11.0 meters of 0.3 g/t gold from 109 to 120 meters (KG-17-01)
- 3.2 meters of 0.3 g/t gold from 74 to 77.2 meters (KG-17-01)

The depth-to-top of these zones are 77 meters for deeper zone and 63 meters for the shallower zone. The deeper of the two zones does not occur directly under the vertically dipping Ace Showing but rather 20 meters to the east of the showing. This may suggest the mineralization is dipping eastward and oblique to the stratigraphy or may represent an entirely new zone.

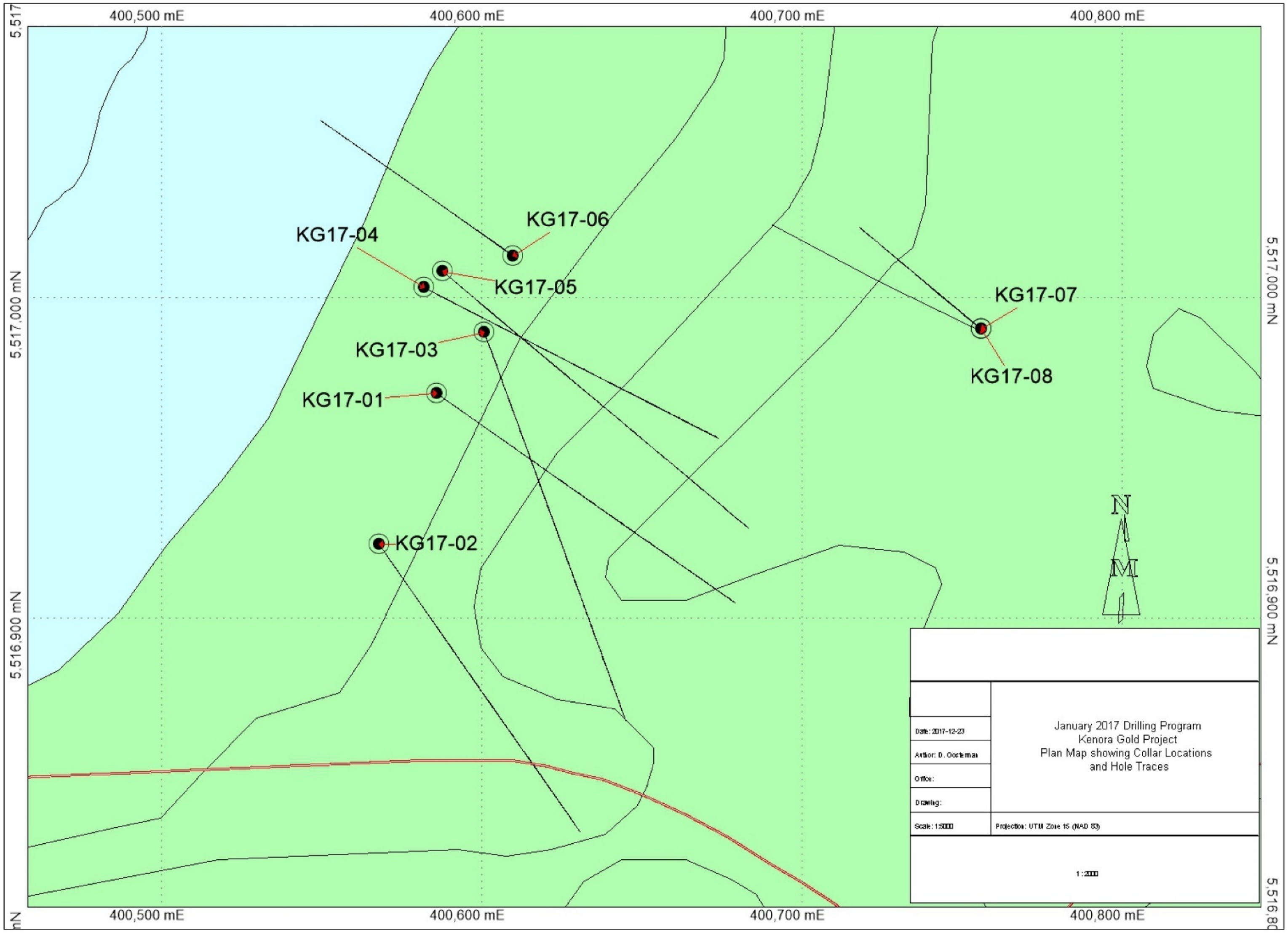


Figure 6: Drill hole location map

Table 3: Summary of significant results for 2017 drilling program

Hole ID	Elevation	Azimuth	Dip	From	To	Core Length	Gold (g/t)
KG17-01	384	125	-45	35.4	36.5	1.1	0.4
				74.0	77.2	3.2	0.3
				109.0	120.0	11.0	0.3
KG17-02	376	145	-45	48.0	50.0	2.0	0.3
				80.0	81.0	1.0	0.5
KG17-03	376	160	-45	75.0	77.1	2.1	1.2
				88.2	89.3	1.1	1.0
				158.80	160.10	1.3	0.6
KG17-04	376	117	-45	52.4	53.0	0.6	0.3
				82.0	83.0	1.0	0.3
				84.0	85.0	1.0	0.4
KG17-05	378	130	-45	110.0	111.0	1.0	0.4
				115.8	117.2	1.4	0.4
				128.3	128.8	0.5	1.7
				134.0	134.3	0.3	1.6
				159.0	160.0	1.0	0.4
KG17-06	379	305	-45				NSV
KG17-07	409	310	-45				NSV
KG17-08	409	310	-64	43.0	65.0	22.0	0.5
			…Incl.	43.0	53.9	10.9	0.6
	DTT	51m	…Incl.	58.0	65.0	7.0	0.7
			…Incl.	62.0	65.0	3.0	1.0

Geological Setting and Mineralization

Regional Geology

The Property is situated in the Wabigoon Subprovince of the Superior Geological Province. This Subprovince consists mainly of Archean metavolcanic and metasedimentary rock sequences intruded by larger granitoid plutons, mainly granodiorite to granite in composition. Mafic volcanic rocks form ~90% of the sequence in the Kenora area, typically tholeiitic mafic flows. Felsic-metavolcanic and metasedimentary units comprise the remainder of the volcanic-sedimentary lithologies. These units typically exhibit evidence of at least greenschist facies of metamorphism. Regional deformation tends to trend in the east/northeast direction. Major structures in the area also exhibit similar orientations. (Breaks et al., 1978). This portion of the east trending Wabigoon Subprovince is typically referred to as the Western Wabigoon Terrane (WWT) and lies to the south of the Winnipeg River Terrane (WRT) and to the north of the Quetico Terrane (QT). The WRT and QT are typically high-grade metamorphic terranes consisting of plutonic and metasedimentary assemblages. (Percival and Easton, 2007). The general geology of the Property area can be seen in Figure 7.

Regional structural trends defined by lithologic contacts, foliations, gneissosity and faults are aligned mainly easterly to northeasterly in the central Wabigoon Subprovince area and indeed in most of the western Superior Province. The easterly trending boundary between the Quetico and Wabigoon subprovinces represents the most regionally extensive structural element in the area. Most structures dip subvertically although local areas of low-dip fabric are observed.

Figure 7: Regional Geology map

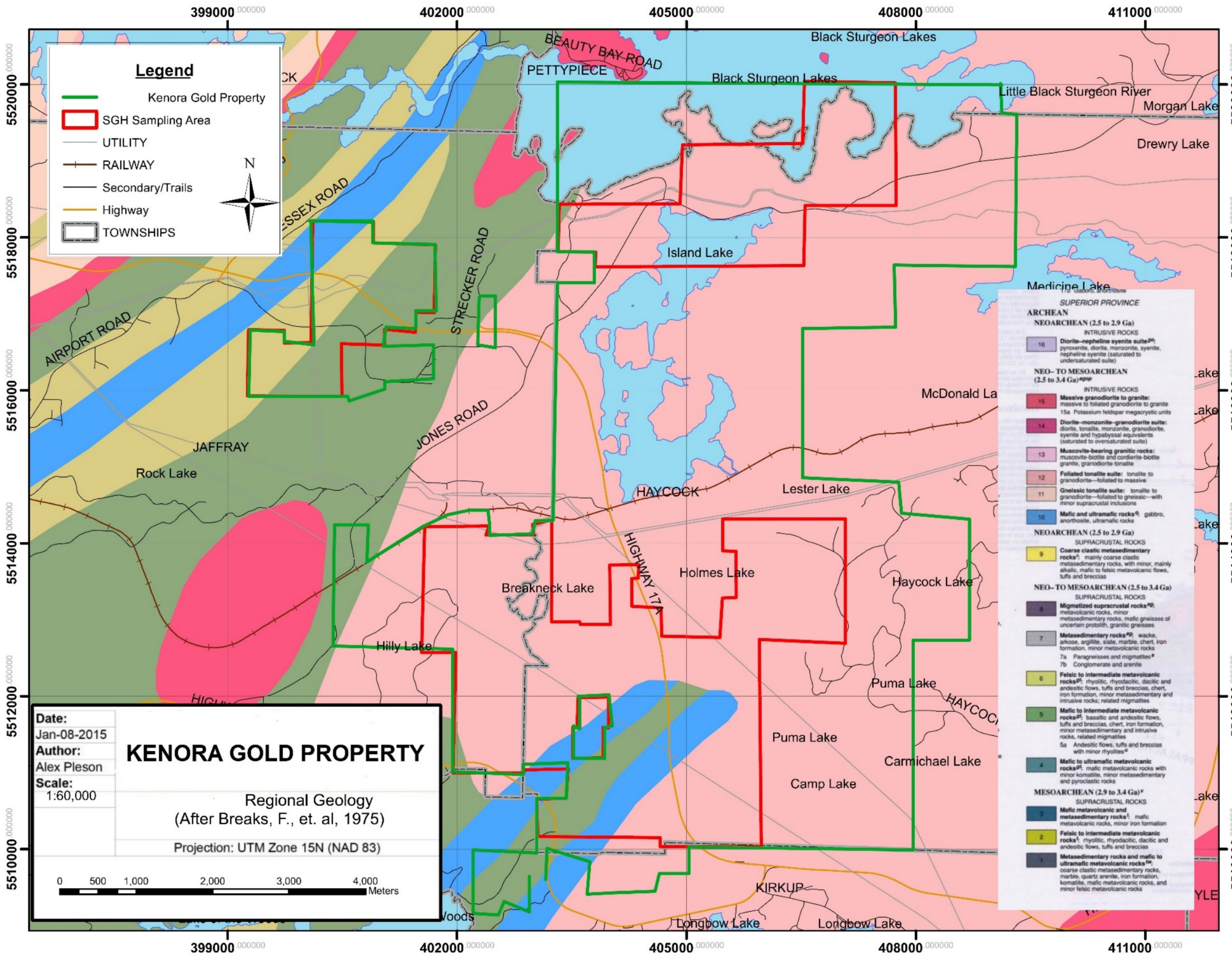
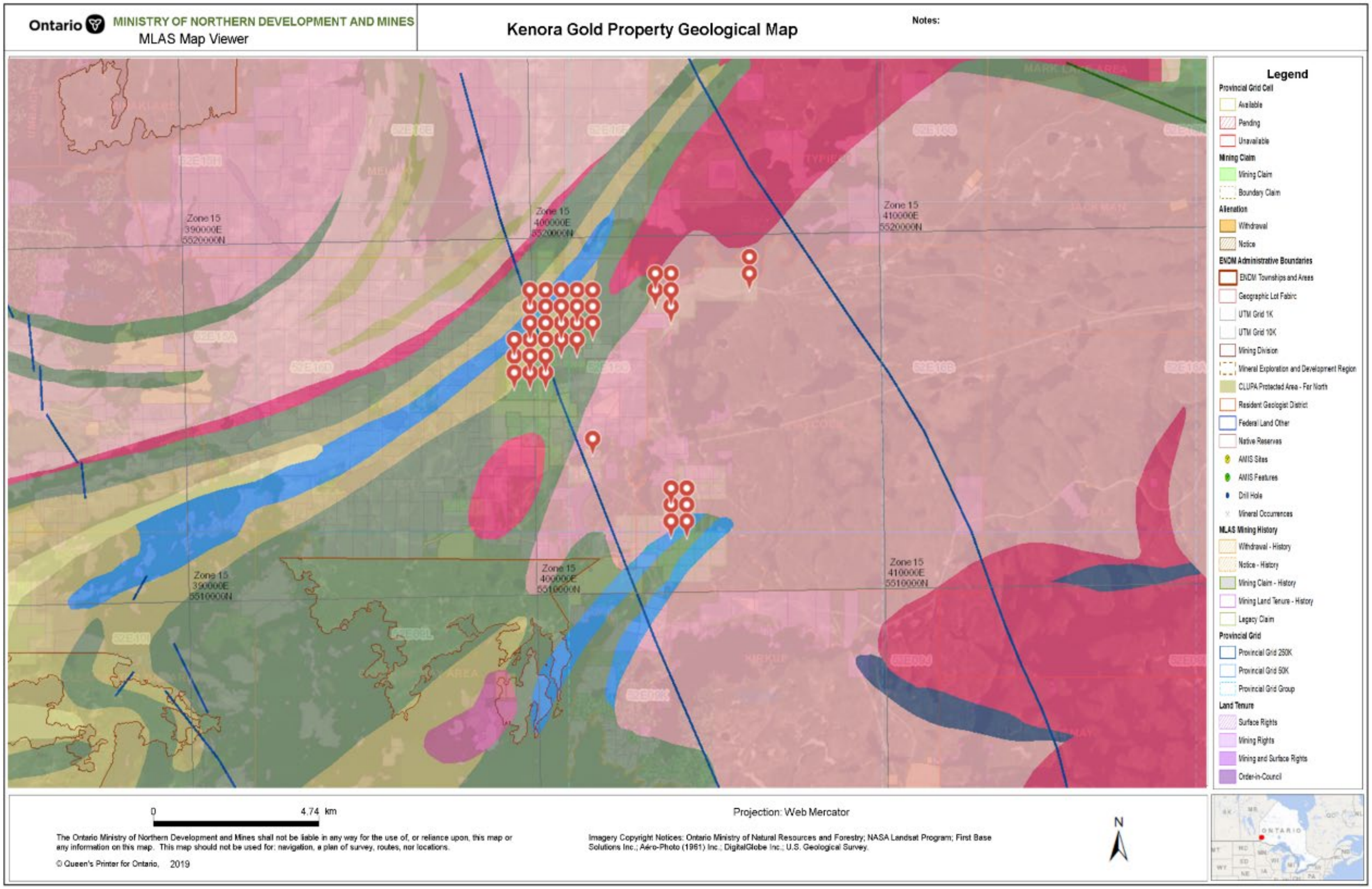


Figure 8: Property Geology Map



Property Geology

The Property is dominated by a large quartz diorite intrusion that extends past the eastern boundary of the Property on contact to a tonalite pluton. The western contact of the quartz diorite consists of interlayered mafic and felsic metavolcanic rocks. Minor quartz monzonite intrusions bound the metavolcanic rocks in the north. Intrusive mafic-intermediate rocks (diorite to gabbro) are also mapped along a northeast trending contact to the felsic and mafic metavolcanic rocks. Gold mineralization is typically observed at or near the contacts of the metavolcanic units and the quartz diorite. Large regional faults and mineral foliations are mapped by *King 1983* and typically have northeast strikes. The shear zones on the Property exhibit the same overall trend. Gold mineralization is typically associated near the boundaries of the major shear zones that have been previously mapped on the Property.

The 2016 trenching program indicated local geology of the Ace Showing (Figure 9) which occurs in foliated metasediments with minor fragments of a brecciated mafic metavolcanic and intrusive intermediate rocks. Fragments of both rock types are observed in the units as xenoliths suggesting a complex tectonic brecciation of the rocks at this locality. The units were later ductilely deformed and fractured with evidence exhibited by the shearing of the metasediments unit and the presence of a large amount of conjugate quartz-carbonate veins (Assessment report: 2.57014).

Mineralization

There are various shear-hosted high grade gold mineralization occurrences on the Property, out of which most important are: Sweden (UTM 15N 405385 E 5516597 N), the Roseman (UTM 15N 402401 5511464), Westin (UTM 15N 403265 5511444), the Norway (UTM 15N 404624 E 5513774 N), the Princess occurrence (UTM 15N 403541 E 5518122 N), Triumph (15N 404170 5511566), Rajah (15N 400601 5516928) and Black Sturgeon (UTM 15N 404762 E 5518278N). This mineralization is in quartz veins in low permeable diorite rock. Sulphides, which typically hosts much of the gold, usually makes up less than 5% of the vein material, and consists of pyrite, pyrrhotite or arsenopyrite with minor local chalcopyrite, sphalerite and/or galena as well as occasional tellurides. Sulphides are also found in wall rocks, and are typically auriferous as well.

Deposit Types

The Superior Province is the largest exposed Archean craton in the world which is known for its gold deposits. Mineralization style for Property suggests a lode type Mesothermal Archean Lode Gold deposit model.

One prominent characteristic of all significant gold deposits in the Superior Province is their occurrence within or immediately adjacent to greenstone belts. They are not, however, preferentially hosted by a specific greenstone lithology or lithological assemblage but occur within all greenstone lithologies. A second, equally prominent, characteristic of the gold deposits is their occurrence within major tectonic zones which comprise linear composite shear systems. These shear systems, or deformation zones, are commonly of regional extent, exhibit systematic orientations and sense of shear, and may truncate all Archean lithologies. The faults, and associated splays, which control gold mineralization, are typically part of a larger deformational zone that can reach kilometers in thickness and several hundred kilometers in strike. Structural and stratigraphic continuity are locally completely disrupted by late shearing, associated with the major deformation zones. Locally, gold mineralization at the Property scale is more controlled by regional and local structures while lithology has little control. There are three types of gold mineralization identified in the area: (a) in quartz veins hosted in volcanic rocks and felsic dikes within shear zones, (b) in narrow semi-massive sulphide bands filling fissures, and (c) in altered rocks within shear zones with or without quartz veins.

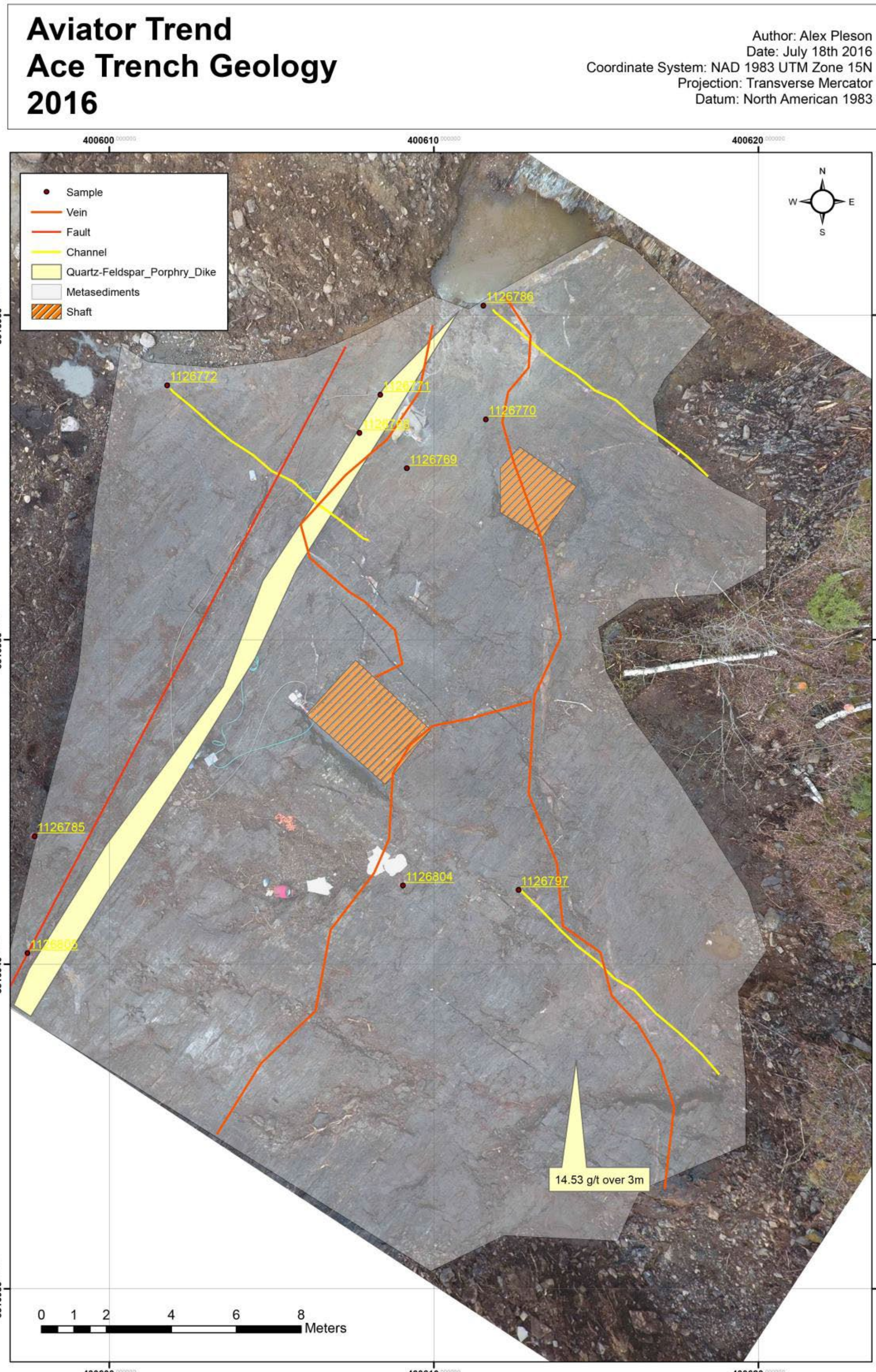


Figure 9: Property geology as depicted in 2015-16 trenching program

Gold-bearing quartz veins are the most common type of mineralization in the area. The veins have wispy to well-layered “crack-seal” textures, with sericite, chlorite, ferroan carbonate, 1-5% sulphides, and occasionally tourmaline along the selvedges. Gold is concentrated in the “crackseal” fractures and in selvedges along the quartz vein margins. Calcite filled fractures within quartz veins also carry gold. Narrow gold-bearing semi-massive sulphide filled fractures within fissile zones also contain significant gold values. Pervasive ferroan carbonate alteration, disseminated sulphides, and very small barren quartz veinlets characterize the fissile zones. Sulphides are predominantly pyrite, with variable amounts of chalcopyrite. The gold tenor appears to be related to the quantity of pyrite present in the wall rock and in the veins.

The following controls of gold mineralization are identified in Ontario Ministry of Northern Development and Mines report “Archean Lode Gold Deposits in Ontario”.

A. Lithological Controls

1. Mafic and ultramafic volcanic and intrusive rocks have been suggested as preferred host rocks to gold.
2. Clastic metasediments host mineralization in a frequency approximately proportional to their belt-wide occurrence.
3. Felsic metavolcanic rocks have a somewhat higher incidence in the mineralized areas than within greenstone belts as a whole.
4. Chemical metasediments such as banded iron formations are only a minor proportion of greenstones and more frequently associated with economically poorer deposits.
5. The post-volcanic felsic plutons are minor in volume; however, these post-volcanic intrusions are very common in mineralized areas. In several deposits, gold mineralization is either completely (e.g. The Young-Davidson Mine at Matachewan) or predominantly (e.g. the Macassa Mine at Kirkland Lake) hosted by felsic to intermediate, silica-saturated to undersaturated intrusions which cut the folded and tilted supracrustal package.

B. Structural Controls

1. **Zones of anomalously high strain within a deformation zone.** Examples include the mines of the Red Lake and Hemlo camps and the Detour Lake and Macassa Mines in Ontario, and the Sigma Mine at Val d’Or in Quebec. Both brittle (fracture and breccia vein systems) and ductile (replacement vein systems) deformation styles are recorded in these deposits, perhaps reflective of the depth in the crust at which they formed.
2. **Pre-existing structural anisotropies.** An excellent example of this control of mineralization is the Cameron Lake deposit near Kenora, in which the mineralization occurs where sympathetic, bedding-controlled splays to a shear zone intersect that shear. The plunge of the ore zone parallels the lineation formed by the intersection of the shears.
3. **A preferred lithology, where a strong competency contrast exists between adjacent rock types.** Structurally more competent lithologies can be preferentially mineralized. Examples include ore zones in the Macassa and Sigma Mines and the Duport deposit on Lake of the Woods, in which felsic intrusive rocks contain more mineralization than surrounding, less competent lithologies. The competency difference may be a result of original lithological differences, as in the examples cited above, or may result from alteration processes. The later control is displayed in the Dome Mine at Timmins and the Cochenour-Willans Mine at Red Lake, where metasomatic ankerite - rich units were more competent than enclosing lithologies and deformed in a brittle manner.
4. **Fold limbs and fold noses.** Folding of sequences of rocks of contrasting thicknesses and competencies has long been known to create permeable zones that may host mineralization. Other folding - related surfaces (e.g. between layers in fold limbs, or an axial planar cleavage) may also be preferred sites for mineralization, “Saddle reef gold deposits in fold noses have long been known. Examples of this control of mineralization in Ontario include ore zones at Geraldton and the Musselwhite deposit at Opapimiskan Lake, where gold is hosted in fold noses and foliation - parallel veins. Many of the lode gold deposits contain an apparently complex assemblage of gold – bearing veins. However, the types of veins, their orientations, and the temporal relationships that they display can be explained in terms of the deformation processes under which they formed.

Gold - bearing veins include replacement, extension, breccia and fracture types. In most cases, veins transect lithological contacts, and are not restricted to a specific rock type. However, veins may be stratabound where they are controlled by the competency or chemistry of a particular unit. Such is the case at Geraldton, where veins occur largely in layers of iron formation.

Exploration

The Company has not carried out any exploration work on the Property. See "*History – Canstar Exploration Program 2014 – 16*" for information respecting exploration work carried out by Canstar, a prior owner of the Property.

Drilling

No drilling has been done on the Property by the Company. See "*History – Canstar Diamond Drilling and Trenching Program 2017*" for information respecting drilling work carried out by Canstar, a prior owner of the Property.

Sample Preparation, Analyses and Security

The Author visited the property on November 27, 2019. A total of five samples were collected by the author from drill core of 2017 program and channel sampling areas. One duplicate sample was included for quality control and quality assurance (QA/QC). The Author observed the core boxes stored on the Property and identified relevant core intervals to take representative samples. Samples were obtained by taking one half of the already sawed core. The samples were placed in a numbered sample bag and the other half was stored back in the core box for reference.

At all relevant times, all samples were under the care and control of the Author. The samples were bagged and tagged using best practices, and were personally delivered by the Author to SGS Canada Inc. ("SGS") in Burnaby, British Columbia for sample preparation and analyses. SGS is a commercial, accredited ISO-Certified Laboratory, independent of Makara Mining Corp. and Pleson Geoscience (the Vendor).

No officer, director, employee or associate of Makara Mining Corp. or Pleson Geoscience was involved in sample preparation and analysis.

The analytical results of the QA/QC samples provided by SGS did not identify any significant analytical issues. The Author is of the opinion that the sample preparation, security and analytical procedures used meet industry standards and are of sufficient integrity and quality to be used for further investigations.

<u>2014-2017 Exploration Samples</u>

The samples for the 2014-16 trenching and sampling campaign, and the 2017 drill program were analyzed at Activation Laboratories (ACTLABS) in Thunder Bay, Ontario and were tested either at its Thunder Bay, Ontario. Actlabs is an independent group of laboratories accredited under both ISO 17025 with CAN-P-1579 for specific registered tests.

Code 1A2-Tbay Au - Fire Assay AA (QOP Fire Assay Tbay): The procedure for this analysis is described below:

<u>Fire Assay</u>

A sample size of 5 to 50 grams can be used but the routine size is 30 g for rock pulps, soils or sediments (exploration samples). The sample is mixed with fire assay fluxes (borax, soda ash, silica, litharge) and with Ag added as a collector and the mixture is placed in a fire clay crucible, the mixture is preheated at 850°C, heated at an intermediate 950 °C and finished at 1060 °C. The entire fusion process should last 60 minutes. The crucibles are then removed from the assay furnace and the molten slag (lighter material) is carefully poured from the crucible into a mould, leaving a lead button at the base of the mould. The lead button is then placed in a preheated cupel which absorbs the lead when cupelled at 950°C to recover the Ag (doré bead) + Au.

<u>ICP-OES</u>

The Ag doré bead is digested in hot (95°C) HNO_3 + HCl. After cooling for 2 hours, the sample solution is analyzed for Au by ICP-OES using a Varian 735 ICP.

Code 1A2-ICP (Fire Assay-ICP-OES) Detection Limits (ppb)

Element	Detection Limit	Upper Limit
Au	2	30,000

Source: http://www.actlabsint.com/page.aspx?page=1454&app=226&cat1=549&tp=12&lk=no&menu=64

Code 1A4 (100mesh)-Tbay Au-Fire Assay-Metallic Screen-500g:

A representative 500-gram split is sieved at 100 mesh (149 micron) with assays performed on the entire +100 mesh and 2 splits of the -100 mesh fraction. A final assay is calculated based on the weight of each fraction.

The Author reviewed 2017-18 exploration assessment work reports and assay certificates of Actlabs. Actlabs are accredited independent laboratories, and the Author considers that sample preparation, analysis and security respecting the samples collected for such reports was completed appropriately, and that industry best practices applicable at the time were followed. The Actlabs maintains an internal quality control program, including the use of blank, duplicate, and standard reference ore samples inserted into the sample stream. A review of the assay certificates shows satisfactory QA/QC results.

Author Collected Samples

The samples collected by the Author during his November 27, 2019 visit were prepared and analyzed at SGS Laboratories in Burnaby, British Columbia which is an accredited laboratory in Canada. The samples were assayed using SGS Fire Assay package GE FAA515 (50 g, Fire assay, AAS finish). The laboratory is an independent Canadian certified lab.

Data Verification

The Author visited the Property on November 27, 2019 to verify historical exploration work, including the drill program completed in 2017 and the trenching and channel sampling programs carried out during 2014-17, mineralized outcrops and to collect necessary geological data. The data verification also included an independent re-analysis of channel samples and selected core samples. During the visit of the Property, GPS coordinates using NAD 83 datum were recorded for the drill hole casing and trench location.

The drill core for holes KG17-1 to KG17-8 is stored at location 0400816E, 5516971N on the Property (Photo-1). All core boxes are labelled and properly stacked. Drill core handling, logging and sampling were conducted satisfactorily. The author visited accessible drill hole collar locations (Photo 2), viewed various core sections (Photo-3) and collected three representative samples from selected intervals (Table 4) for Au analyses.

Outcrops (Photo 4) and trenches (Photo 5) were mostly covered with snow. Two channel samples were collected in the field from two different locations (Table 5).

A total of six samples including one duplicate were collected by the author from drill core of 2017 program and channel sampling areas (Table 4&5) and were sent to SGS lab for analyses. All samples were under the care and control of the author and are considered representative.

The sample assay results (Table 4&5) indicated gold (Au) values in the range of 110 parts per billion (ppb) to 2770 ppb. These results are consistent with earlier results of samples from 2017 drilling and channel samples from trenches.

Overall, the Author is of the opinion that the data verification process demonstrated the validity of the data and considers the Property database to be valid and of sufficient quality.

Historical exploration work from 2014-17 was carried out under the supervision of the Optionor, who is a registered professional geoscientist in Ontario. The technical assessment work report for 2017 drill program was prepared by Daniel Oosterman, P.Geo., a professional geologist who is also a director of Canstar, the former owner and operator of the Property. For the present study, the sample preparation, security and analytical procedures used by the laboratories are considered adequate. No officer, director, employee or associate of the Company was involved in sample preparation.

The Author was able to verify location of 2017 drill holes and 2014-15 channel sampling areas during his Property visit. A limited search of tenure data on the ENDM Ontario website on December 2nd, 2019, conforms to the data supplied by the Company. Limited research by the Author did not express a legal opinion as to the ownership status of the Property.

Historical grades and assay data are taken from ENDM assessment reports and OGS geological reports which are deemed reliable. Historical geological descriptions taken from different sources were prepared and approved by the professional geologists or engineers and are deemed reliable.

Photo 1: Core boxes stack (KG17-1 to 8)

Photo 2: Drill Hole KG17-03

Photo 3: Core from KG17-04 (sample interval 52.40m-53.00m)

Photo 4: Outcrop covered with snow

Photo 5: Trench at Sample KG19-04

A field description of the samples collected during the November 27, 2019 Property visit is provided in the following table.

Table 4: Core Sample 2019 description

Sample ID	Drill Hole	From (m)	To (m)	Length (m)	Description	Au (ppb)
Kg19-01	KG17-04	52.40	53	0.60	Mafic Volcanics, dark green to grey, fine grained, foliated, some carbonate veinlets, trace pyrite, weakly sheared.	306
Kg19-02	KG17-05	128.30	128.80	0.5	Mafic Volcanics, dark green, fine grained, foliated, abundant carbonate veinlets, trace pyrite, slightly sheared	2770
Kg19-03	KG17-01	35.95	36.45	0.5	Mafic Volcanics/Gabbro, grey to dark grey, fine grained to coarse grained, foliated, minor carbonate veinlets, trace pyrite.	284
Kg19-06	KG17-01	Duplicate of Kg19-03				725

Table 5: Trench Sample 2019 description

Sample ID	Width CM	Easting	Northing	Description	Au (ppb)
Kg19-04	50	0400747	5517005	Dark gray volcanic rock, some pyrite and quartz veins.	215
Kg19-05	70	400612	5516944	Greenish grey Schist, Fe-stained, foliated, quartz veinlets-tourmaline common, trace pyrite.	251

Table 6: Comparison of Assay results of samples collected by author and historical samples

2019 Results (author collected samples)		2016-17 Exploration Results		
Sample ID 2019	Au (ppb)	Drill hole/ Trench ID	Sample ID 2017	Au (ppb)
Kg19-01	110	KG17-04	274688	306
Kg19-02	2770	KG17-05	274958	1650
Kg19-03	284	KG17-01	382042	479
Kg19-04	215			
Kg19-05	251	Trench 2016 A3 East	1126798 & 1126799	115/801
Kg19-06	725	Duplicate Kg19-03		

The samples were delivered by the author to SGS Laboratories in Burnaby, British Columbia which is an accredited laboratory in Canada. The samples were assayed using SGS analytical code or element GE FAA515 (50 g, Fire assay, AAS finish).

The data collected during the present study is considered reliable because it was collected by the Author. The data quoted from other sources is also deemed reliable because it was taken from ENDM) Ontario, and published reports by the Ontario Geological Survey (OGS), the Geological Survey of Canada ("GSC"), various researchers, and personal observations.

Mineral Processing and Metallurgical Testing

No metallurgical testing was done on the Property by the Company.

Mineral Resource Estimates

No mineral resource estimates were done by the Company.

Adjacent Properties

Kenora is located in the heart of the mineral rich Canadian Shield, on the western edge of Northwestern Ontario, in close proximity to Manitoba to the east and Ontario's Ring of Fire to the west. In Ontario there are several mines and exploration projects that are in close proximity to the property (Source: http://business.kenora.ca/key-industries/mining/).

The Property is located in an active and historical mining and mineral exploration region where many operators carried out exploration and/ or development work on the Property and the surrounding area. The following information is taken from the publicly available sources which are identified in the text and in Section 27. The Author has not been able to independently verify the information contained. The information is not necessarily indicative of the mineralization on the Property, which is the subject of the Technical Report.

Cautionary statement: Investors are cautioned that the mineralization located on the adjacent properties may not be indicative of the potential mineralization on the Property.

Cameron Gold Project

On June 9, 2016, First Mining completed the acquisition of the Cameron Gold Project from Chalice Gold Mines Limited. Cameron (Figure 10) is an advanced-stage resource project located in the highly mineralized Kakagi Lake Greenstone Belt of the Archean-aged Superior Province located in the southern part of western Ontario, approximately 80 km south-east of the Property. Cameron project consists of a total of 226 unpatented claims, 24 patented claims (mineral rights only), seven mining licenses of occupation (MLO) and four mining leases for a total land package of 44,853 hectares.

Figure 10: Map of Cameron Gold and other Projects of First Mining

<u>Avalon's Separation Rapids Lithium Project</u>

Avalon Advanced Metals Inc. (Avalon), a Toronto Stock Exchange listed company (TSX;V- AVL) owns Separation Rapids Project (Figure 11) situated approximately 70 km by road north of the Property. It consists of 15 Mineral Claims and one Mining Lease covering approximately 5,982 acres (2,421 hectares). Tenure for the mineral resource is held under a 421 hectare, 21 year Mining Lease (Ontario CLM469).

In 2014, Avalon re-activated the Separation Rapids Project after receiving expressions of interest in its petalite from several international glass manufacturers. The process flowsheet was greatly simplified and in 2015 new petalite samples were produced for analysis by these customers - all of whom confirmed they met the desired specifications in terms of lithium grade and impurity levels. Avalon then conducted a pilot plant trial to successfully produce one tonne of concentrate for further evaluation by the customers in glass-ceramics applications.

Avalon concurrently began investigating how its petalite could be used to produce high purity lithium chemicals for the battery industry relatively inexpensively compared to other existing alternative lithium source materials. Market studies suggest that lithium hydroxide will be in increasing demand as a feedstock for lithium ion battery cathode chemistries. Consequently, Avalon developed a process flowsheet to make lithium hydroxide from its petalite. The potential for production of high grade lithium hydroxide (99.9%) was demonstrated through laboratory test work performed in 2015 and defined in a Preliminary Economic Assessment filed in 2016.

Avalon carried out additional drilling (April - May 2017, Jan-Feb 2018) to expand the lithium resource and provide better definition of the lithium mineralogical zoning in the total resource. The following table summarizes different categories of mineral resources on the Separation Rapids Property.

Table 7: Separation Rapids Resource Estimate at 0.6% Li20 Cut-off Grade (As at November 15, 2017)
(Source:http://avalonadvancedmaterials.com/projects/separation_rapids/)

Mineral Resource Category	Petalite Zone			Lepidolite-Petalite Zone			Total Tonnes (Mt)	Li_2O (%)	Rb_2O (%)
	Tonnes (Mt)	Li_2O (%)	Rb_2O (%)	Tonnes (Mt)	Li_2O (%)	Rb_2O (%)			
Measured	2.86	1.39	0.313	1.18	1.38	0.467	4.04	1.39	0.358
Indicated	3.42	1.36	0.338	0.67	1.40	0.484	4.09	1.37	0.362
Measured + Indicated	6.28	1.37	0.327	1.85	1.38	0.473	8.12	1.37	0.360
Inferred	0.94	1.30	0.321	0.26	1.42	0.505	1.20	1.33	0.361

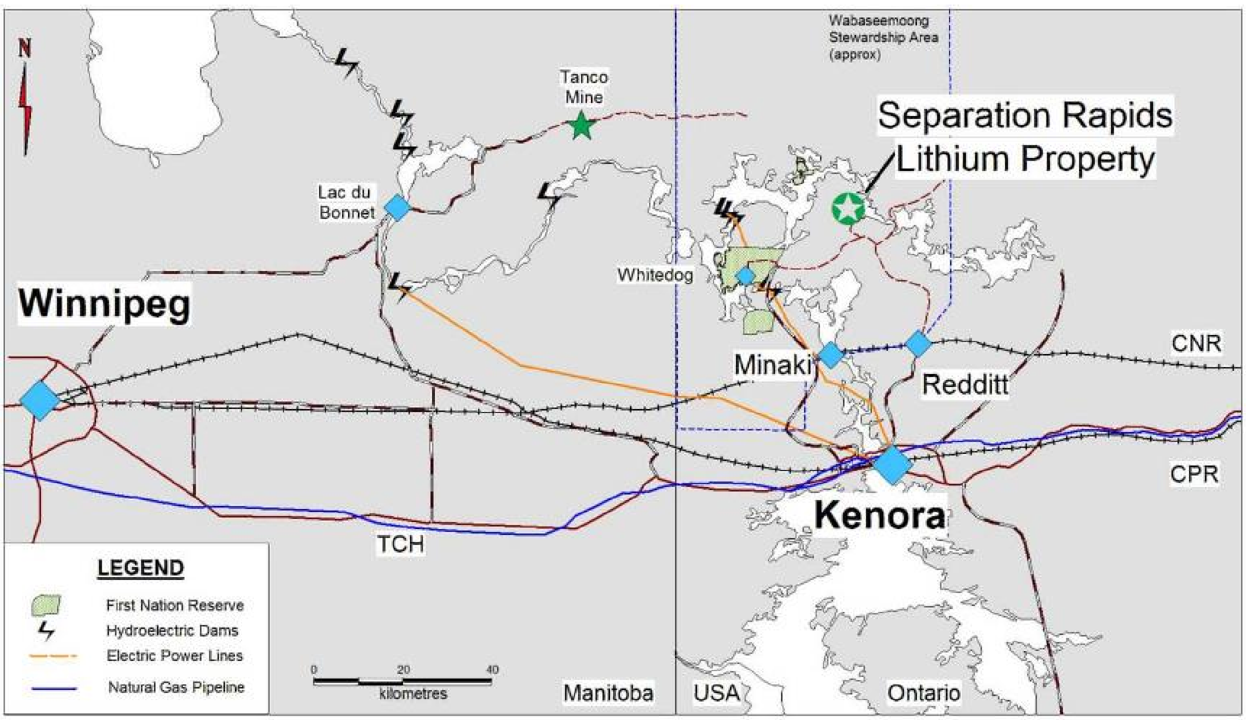


Figure 11: Separation Rapids Lithium Project Location Map

Other Relevant Data and Information

Environmental Concerns

There is no historical production from the Property, and the Author is not aware of any environmental liabilities which have accrued from historical exploration activity. An exploration work permit was issued for the Property for Canstar which can be used for further exploration work by extending its time.

Interpretation and Conclusions

Geologically, the Property is situated in the Wabigoon Subprovince of the Superior Geological Province. This Subprovince consists mainly of Archean metavolcanic and metasedimentary rock sequences intruded by larger granitoid plutons, mainly granodiorite to granite in composition. Mafic volcanic rocks form ~90% of the sequence in the Kenora area, typically tholeiitic mafic flows. Felsic-metavolcanic and metasedimentary units comprise the remainder of the volcanic-sedimentary lithologies. These units typically exhibit evidence of at least greenschist facies of metamorphism. Regional deformation tends to trend in the east/northeast direction which is also the direction of alignment of regional structures. Within the Property, the area is dominated by a large quartz diorite intrusion that extends past its eastern boundary on contact to a tonalite pluton. The western contact of the quartz diorite consists of interlayered mafic and felsic metavolcanic rocks. Gold mineralization is typically associated near the boundaries of the major shear zones that have been previously mapped on the Property.

Various shear hosted high grade gold mineralization occurrences are located on the Property which are associated with quartz veins in low permeable diorite rock. Sulphides, typically hosts much of the gold, usually makes up less than 5% of the vein material, and consists of pyrite, pyrrhotite or arsenopyrite with minor local chalcopyrite, sphalerite and/or galena.

Historically, gold mineralization was observed in the Property area as early as 1894. Various shafts are located throughout the Property indicating historical exploration and development work, but no verified production data is available. The area lay dormant until 1984 when various exploration companies picked up properties in this area and commenced work. Notable exploration activities include prospecting, drilling and trenching near the eastern shores of Breakneck Lake and the southern shores of Black Sturgeon Lake. These activities lead to discovery and development of several showings which were explored and mined near the start of the 20th century. Canstar was an owner and operator of the Property and carried out exploration work during 2014-17 period.

In 2014, Canstar completed a reconnaissance fieldwork program which indicated anomalous values of gold in rock samples associated with shear zones. These results prompted implementation of a Soil Gas Hydrocarbons (SGH) survey to test the continuity of the gold bearing structures across the Property.

In 2015 Canstar completed prospecting and trenching over several locations on the Property. Highlights from this channel sampling program include:

- An 18.0-meter-wide channel containing 2.0 g/t gold including 5.0 meters containing 6.8 g/t gold on its Aviator trend,
- A 2.7-meter-long select chip sample containing 5.0 g/t gold on its Hilly Lake trend,
- A 1.4-meter-wide channel containing 1.8 g/t gold on its Black Sturgeon trend, and
- Discovery of a new showing parallel to the Aviator trend containing a select channel sample of 0.7 meters containing 1.7 g/t dubbed “Avro East”.

In 2017, Canstar completed a diamond core drilling program on the Property which was aimed to test previous targets identified during exploration work in 2014-16 and other historical work. A total of 19 holes (based on personal communication with the Optionor) were drilled. However, at present, data is available only for 8 holes. A total of 1,268 meters were drilled in these eight holes. As this represented one of the first drilling programs in the area in over a century, all holes were sampled in completion, for a total of 1,317 samples including standards as QA/QC. Drilling, core logging, sampling and assaying work commenced during Jan-March 2017 period, data compilation and technical assessment work report on drill program was completed and filed on December 23, 2017. The total cost of this program was $248,353.64. From June to August 2017, Canstar also completed a trenching and sampling program, comprised of fieldwork, lab work for sample preparation and analysis and data compilation and reporting, at a cost of $54,635.

Highlights from the drilling program was in hole KG17-08, which intercepted 22 meters of 0.5 g/t gold including 1 g/t gold over 3 meters. The program was successful in intercepting several zones of low-grade mineralization at depth, interpreted to be associated with the Ace Showing, including:

- 11.0 meters of 0.3 g/t gold from 109 to 120 meters (KG-17-01)

- 3.2 meters of 0.3 g/t gold from 74 to 77.2 meters (KG-17-01)

The Company has not carried out any exploration work on the Property.

Mineralization style for Property suggests a lode type Mesothermal Archean Lode Gold deposit model in Superior Geological Province. One prominent characteristic of all significant gold deposits in the Superior Province is their occurrence within or immediately adjacent to greenstone belts. The faults, and associated splays, which control gold mineralization, are typically part of a larger deformational zone that can reach kilometers in thickness and several hundred kilometers in strike. There are three types of gold mineralization identified in the area: (a) in quartz veins hosted in volcanic rocks and felsic dikes within shear zones, (b) in narrow semi-massive sulphide bands filling fissures, and (c) in altered rocks within shear zones with or without quartz veins.

The Author visited the Property on November 27, 2019 to verify historical exploration work, including the drill program completed in 2017 and the trenching and channel sampling programs carried out during 2014-17, mineralized outcrops and to collect necessary geological data. A total of six samples, including one duplicate (Table 4 & 5), were collected by the author from various drill core of the 2017 program and channel sampling areas. The samples from the Property visit were delivered by the author to SGS Laboratories in Burnaby, British Columbia, which is an accredited laboratory in Canada. The samples were assayed using SGS analytical code or element GE FAA515. Assay results indicated gold values in the range of 110 ppb to 2770 ppb.

The data presented in this Prospectus is based on published assessment reports available from the Company, Ontario ENDMF, the Geological Survey of Canada, and the Ontario Geological Survey. All the consulted data sources are deemed reliable. The data collected during present study is considered enough to provide an opinion about the merit of the Property as a viable exploration target.

There are some risks associated with this Property. Although historical exploration work has been carried out on the Property with some good results, it is still an early stage exploration Property with no mineral resource.

Based on its favourable geological setting indicating shear hosted gold mineralization in trenches and drill holes and the findings of the present study, it is concluded that the Property is a Property of merit and possesses a good potential for discovery of economic concentration of gold mineralization through further exploration. Good road access, availability of exploration and mining services in the vicinity makes it a worthy mineral exploration target. The historical exploration data collected on the Property provides the basis for a follow-up work program.

The Author believes the present study has met its original objectives.

Recommendations

In the qualified person's opinion, the character of the Property is enough to merit the following two-phase work program, where the second phase is contingent upon the results of the first phase.

<u>Phase 1 – Data Compilation, Mapping, Trenching and Sampling</u>

The Phase 1 exploration work will comprise of two main tasks which include compilation of all historical data into a single database as Task 1, and mapping, trenching and sampling as Task 2.

Task 1 – Data Compilation

The Property area has been actively explored for gold since 1894 with several reports, data and maps available in the Ministry of Energy, Northern Development and Mines (ENDM) online database. All this data needs to be compiled into a single database with digitized maps showing location of historical samples, trenches, drill holes and assay results. This task will help in locating prospective areas and targets for follow up exploration work in Task 2.

Task 2 – Mapping, Trenching and Sampling

This task will include detailed mapping, trenching, prospecting, and sampling work will be planned and implemented over new target areas and in extension of existing showings identified in Task 1. 2014-17 work by Canstar was focussed on Hilly Lake, Black Sturgeon and Aviator / Ace showings and trends. The following other historical showings need to be mapped, sampled and explored in detail after data compilation.

- Sweden occurrence (UTM 15N 405385 E 5516597 N);
- Roseman occurrence (UTM 15N 402401 5511464);
- Westin occurrence (UTM 15N 403265 5511444);
- Norway occurrence (UTM 15N 404624 E 5513774 N);
- Princess occurrence (UTM 15N 403541 E 5518122 N);
- Triumph occurrence (15N 404170 5511566); and
- Rajah occurrence (15N 400601 5516928).

Total estimated budget for Phase 1 program is $139,200 (Table 8) and it will take about three months to complete this work.

Phase 2 – Detailed Drilling and Resource Estimation

If results from the first phase are positive, then a detailed trenching and drilling program would be warranted to check the most promising targets identified during prospecting, mapping, trenching and sampling work in Phase 1. The scope of work for drilling and location of drill holes would be determined based on the findings of Phase 1 investigations.

Budget

Table 8: Phase 1 Budget

Item	**Unit**	**Unit Rate ($)**	**Number of Units**	**Total**
Task 1: Data Compilation				
Downloading maps and reports from ENDM, OGS, GSC and other sources	days	$700	5	$3,500
ENDM Thunder Bay Data search	days	$700	3	$2,100
Digitizing maps and data tabulation	days	$550	10	$5,500
GIS Maps and database creation	hrs.	$75	40	$3,000
Project Management	days	$750	3	$2,250
Sub Total				**$16,350**
Task 2: Mapping, Trenching and Sampling				
Geological mapping (geologist 1)	days	$850	7	$5,950
Geological mapping (geologist 2)	days	$850	7	$5,950
Prospecting (2-person crew)	days	$950	7	$6,650
Excavator for stripping	hrs.	$120	40	$4,800
Mob and demob of excavator	ls	$1	1000	$1,000
Channel cutting and sampling	m	$500	50	$25,000
Accommodations and Meals	day	$250	100	$25,000
Supplies	ls	$7,000	1	$7,000
Sample Assays	sample	$150	150	$22,500
Transportation Road	km	$1	8,000	$8,000

Flights	flights	$1,000	1	$1,000
Data Compilation	days	$700	5	$3,500
Report Writing	days	$700	5	$3,500
Project Management	days	$750	4	$3,000
Sub Total				**$122,850**
Total Phase 1 Budget				**$139,200**

USE OF AVAILABLE FUNDS

The Company is not raising any funds in conjunction with this prospectus. Accordingly, there are no proceeds.

The Company has historically generated negative cash flows and there is no assurance that the Company will not experience negative cash flow from operations in the future. For the period commencing September 17, 2019 and ended December 31, 2019, the Company sustained net losses from operations and had negative cash flow from operating activities of $25,928. All funds available to the Company will be used to fund future and anticipated negative cash flow from its operating activities.

Funds Available and Principal Purposes

The Company had working capital of $325,669 as of December 31, 2019, its most recent financial year end, representing the remaining funds from the first three Private Placements. Of the aggregate $404,925 raised from the first three Private Placements, $25,928 has been previously spent on operating expenditures, and $40,000 has been spent on the first payment under the Option Agreement. The Company further had net accounts payable of $13,328 as at December 31, 2019. The gross proceeds to the Company from the Special Warrant Private Placement were $209,841.

The approximate working capital of the Company as of March 31, 2020, being the most recent month end, was $484,275, representing the remaining proceeds from the Private Placements. Such working capital will be used for the purposes described below:

Use of Available Funds	
Complete recommended Phase 1 exploration program on the Property(1)	$139,200
Pay second cash installment under the Property Agreement	$30,000
Initial Listing Fees(2)	$60,000
General and administrative costs for next 12 months(3)	$102,000
Unallocated working capital	$153,075
TOTAL:	$**484,275**

Notes:
(1) See "The Kenora Property – Recommendations."
(2) Including legal, audit, securities commissions and Exchange fees.
(3) See the table below for a description of the estimated administrative costs of the Company for the next 12-month period.

Upon Listing Date, the Company estimates that its working capital will be sufficient to meet its administrative costs and exploration expenditures for the 12-month period following the Listing Date. Administrative costs for the 12 month period following the Listing Date are comprised of the following:

General and Administrative Costs for 12-Month Period Following the Listing Date	($)
Transfer Agent, Listing, Filing and Legal Fees	$30,000
Accounting and Auditing	$20,000
Office and Miscellaneous	$5,000
Travel	$5,000
Corporate Secretarial Fees	$18,000
Management Compensation	$24,000

TOTAL:	$102,000

The use to which the $153,075 of unallocated working capital will be put has not yet been determined by the Company, as the nature of the Company's future expenditures is contingent on the results of the Phase 1 exploration program. The Company retains a sizeable unallocated working capital to account for future contingencies, including the possibility of commencing work on the Phase 2 exploration program if warranted, or failing positive results of Phase 1, the possibility of pursuing opportunities to acquire interests in other properties.

Business Objectives and Milestones

The Company's current business objective and sole current milestone is to complete the Phase 1 exploration program on the Property, as described herein. Based upon the recommendations of the Author in the Technical Report, the Company intends to carry out the Phase 1 exploration program beginning in late Spring, 2020, and the Company expects to complete the field work for Phase 1 by the end of 2020. The proposed budget for Phase 1 in the Technical Report is based on a three-week work program, but the exact timeline is subject to change. If the results of the Phase 1 exploration program are positive, the Company will look towards carrying out the recommended Phase 2 exploration program.

The 40 claims comprising the Property have expiry dates ranging from July 2020 (in respect of 33 claims) to February 2023. An aggregate of $12,000 in work is required to be conducted before such dates in order to maintain the claims. 33 of the claims have sufficient work already logged or exploration reserves to satisfy their work requirements and additional work will be required to maintain the remaining seven claims. If exploration activities commence in late Spring, 2020, the Company expects that the work requirements respecting all of its claims will be satisfied by such claims' respective expiry dates.

The Company's unallocated working capital is not expected to be sufficient to completely fund a Phase 2 exploration such program on the Property, if the Company determines that such a program is warranted. Therefore, in the event the results of the Phase 1 exploration program warrant conducting further exploration on the Property, the Company will likely require additional financing to complete the Phase 2 exploration program. The availability of such financing cannot be guaranteed.

Although the Company intends to expend the funds available to it as set out above, the amount actually expended for the purposes described above could vary significantly depending on, among other things, the price of gold, unforeseen events, and the Company's future operating and capital needs from time to time. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

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 1 exploration program are not supportive of proceeding with Phase 2, or if continuing with the Phase 1 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. Subscribers to the Special Warrant Private Placement must rely on the experience, good faith and expertise of management of the Company with respect to future acquisitions and activities.

DIVIDENDS OR DISTRIBUTIONS

Dividends

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its cash to finance its exploration activities, finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Company's Management's Discussion and Analysis provides an analysis of the Company's financial results for the period commencing September 17, 2019 and ended December 31, 2019 and should be read in conjunction with the financial statements of the Company for such period, and the notes thereto. The Company's Management's Discussion and Analysis is attached to this Prospectus as Schedule "C".

Certain information included in the Company's Management's Discussion and Analysis is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "Cautionary Statement Regarding Forward-Looking Statements" for further detail.

Disclosure of Outstanding Security Data

Common Shares

As at the date of this Prospectus, the Company had 14,998,273 Common Shares issued and outstanding, and the Company will have 17,096,686 Common Shares issued and outstanding following the exercise or deemed exercise of all the Special Warrants.

Stock Options

The Company has not granted any stock options as at the date of this Prospectus.

Share Purchase Warrants

As of the date of this Prospectus, the Company has 3,998,640 share purchase warrants (the "**Third Private Placement Warrants**") outstanding, which were issued as part of the Third Private Placement. Each Third Private Placement Warrant entitles its holder to purchase one Common Share at a price of $0.10 for a period of two (2) years from the date the Company's shares commence trading on the Exchange. Following the exercise or deemed exercise of all the Special Warrants, the Company will have 2,098,413 Unit Warrants outstanding, each such Unit Warrant entitling its holder to purchase one Common Share at a price of $0.20 for a period of two (2) years from the date the Company's shares commence trading on the Exchange.

Special Warrants

As at the date of this Prospectus, the Company had 2,098,413 Special Warrants outstanding, issued as part of the Special Warrant Private Placement. Each Special Warrant entitles the holder to acquire, without further payment, one Unit. Each Unit will be comprised of one Unit Share and one Warrant, each Warrant exercisable into one Warrant Share at an exercise price of $0.20 for two (2) years from the date the Company's shares commence trading on the Exchange. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the Receipt; and (b) one year from the Closing Date. Following the exercise or deemed exercise of all the Special Warrants, the Company will have no Special Warrants outstanding. This Prospectus qualifies the distribution of 2,087,913 of the Units.

Additional Disclosure for Junior Issuers

The Company anticipates that its estimated working capital of $484,275 as of March 31, 2020, being the most recent month end, will fund operations for the next 12-month period. Management estimates that the Company will require $30,000 to make the second cash payment under the Property Agreement, $139,200 to pay for the Phase 1 exploration program expenditures on the Property, $60,000 for initial listing fees and $102,000 for general and administrative expenses. Other than the costs stated above, the Company does not anticipate incurring any other material capital expenditures during the next 12-month period.

DESCRIPTION OF SECURITIES DISTRIBUTED

Common Shares

The Company's authorized capital consists of an unlimited number of Common Shares, of which 14,998,273 are issued and outstanding as at the date of this Prospectus as fully paid and non-assessable. Following the exercise or deemed exercise of all the Special Warrants, there will be 17,096,686 Common Shares issued and outstanding. Holders of the Common Shares are entitled to vote at all meetings of the holders of the Common Shares and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Common Shares, to participate rateably in any distribution of the Company's property or assets upon liquidation or wind-up.

The Board is authorized to issue additional Common Shares on such terms and conditions and for such consideration as the Board may deem appropriate without further security holder action.

Special Warrants

The Company closed the Special Warrant Private Placement on February 7, 2020, and issued an aggregate of 2,098,413 Special Warrants. Each Special Warrant entitles the holder to acquire, without further payment, one Unit. Each Unit will be comprised of one Unit Share and one Warrant, each Warrant exercisable into one Warrant Share at an exercise price of $0.20 for two (2) years from the date the Company's shares commence trading on the Exchange. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the Receipt; and (b) one year from the Closing Date. The distribution of 2,087,913 of the Units are being qualified under this Prospectus.

The Company has provided to each Special Warrant holder a contractual right of rescission of the prospectus exempt transaction under which the Special Warrant was initially acquired. The contractual right of rescission provides that if a Special Warrant holder who acquires another of the Company's securities on exercise of the Special Warrant as provided for in this Prospectus is, or becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission because of the Prospectus or an amendment to the Prospectus containing a misrepresentation, then:

1. the holder is entitled to rescission of both the holder's exercise of its Special Warrant and the private placement transaction under which the Special Warrant was initially acquired;

2. the holder is entitled in connection with the rescission to a full refund of all consideration paid to the Company on the acquisition of the Special Warrant; and

3. if the holder is a permitted assignee of the interest of the original Special Warrant subscriber, the holder is entitled to exercise the rights of rescission and refund as if the holder was the original subscriber.

Upon conversion of the Special Warrants into Unit Shares and upon conversion of the Warrants into Warrant Shares, holders of such Common Shares shall be entitled to vote at all meetings of the holders of Common Shares and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Common Shares, to participate rateably in any distribution of the Company's property or assets upon liquidation or winding-up.

CONSOLIDATED CAPITALIZATION

The following table sets out the share capitalization of the Company as at the dates specified below.

Description	Authorized	Outstanding as at December 31, 2019	Outstanding as at the date of this Prospectus(1)(2)	Outstanding following the exercise of all the Special Warrants(2)
Common Shares	Unlimited	14,998,273	14,998,273	17,096,686

Notes:
(1) See “Prior Sales”.
(2) On an undiluted basis.

Fully Diluted Share Capitalization

Common Shares	Amount of Securities	Percentage of Total
Issued and outstanding as at the date of this Prospectus	14,998,273	64.7%
Common Shares reserved for issuance upon the exercise of the Special Warrants	2,098,413	9.0%
Common Shares reserved for issuance upon exercise of all warrants(1)	6,097,053	26.3%
Common Shares reserved for issuance upon exercise of options	0	0%
Total Fully Diluted Share Capitalization after the Listing Date	**23,193,739**	**100%**

Notes:
(1) Including the Unit Warrants and Third Private Placement Warrants.

OPTIONS TO PURCHASE SECURITIES

Outstanding Options

The Company has not granted any stock options as at the date of this Prospectus.

Stock Option Plan

The Company does not have a stock option plan.

PRIOR SALES

The following table summarizes all sales of securities of the Company since the date of incorporation:

Date of Issue	Price per Security(1)	Number of Securities
October 4, 2019	$0.005	1,000,000 Common Shares
November 21, 2019	$0.02	9,999,633 Common Shares(2)
December 12, 2019	$0.05	3,998,640 units(3)
February 7, 2020	$0.10	2,098,413 Special Warrants(4)

Notes:
(1) All prior sales have been for cash.
(2) Comprised the Second Private Placement.

(3) Comprised the Third Private Placement, where each unit is comprised of one Common Share and one share purchase warrant, where each such warrant entitles the holder to purchase one Common Share at a price of $0.10 for a period of two (2) years from the date the Company's shares commence trading on the Exchange.
(4) Comprised the Special Warrant Private Placement.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Pursuant to the Escrow Agreement, the Common Shares subject to contractual restriction and escrow are as shown in the following table:

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Common Shares	1,000,000(1)	5.8%(2)

Notes:
(1) These Common Shares are held under the Escrow Agreement in accordance with NP 46-201. The Escrow Agent is Odyssey Trust Company.
(2) Based on 17,096,686 Common Shares issued and outstanding following the exercise of all the Special Warrants.

Escrow Agreement

NP 46-201 provides that all shares of an issuer owned or controlled by its Principals will be escrowed at the time of the issuer's initial public offering.

At the time of its initial public offering, an issuer will be classified for the purposes of escrow as either an "exempt issuer", an "established issuer" or an "emerging issuer" as those terms are defined in NP 46-201.

Uniform terms of automatic timed release escrow apply to Principals of exchange listed issuers, differing only according to the classification of the issuer. As the Company anticipates that its Common Shares will be listed on the Exchange, it will be classified as an "emerging issuer". As such, the following automatic timed releases will apply to the securities held by its Principals:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the Listing Date	1/10 of the escrowed securities
6 months after the Listing Date	1/6 of the remaining escrowed securities
12 months after the Listing Date	1/5 of the remaining escrowed securities
18 months after the Listing Date	1/4 of the remaining escrowed securities
24 months after the Listing Date	1/3 of the remaining escrowed securities
30 months after the Listing Date	1/2 of the remaining escrowed securities
36 months after the Listing Date	The remaining escrowed securities

Assuming there are no changes to the escrowed securities initially deposited and no additional escrowed securities are deposited, automatic timed release escrow applicable to the Company will result in a 10% release on the Listing Date, with the remaining escrowed securities being released in 15% tranches every six months thereafter.

The automatic timed release provisions under NP 46-201 pertaining to "established issuers" provide that 25% of each Principal's and shareholder's escrowed securities are released on the Listing Date, with an additional 25% being released in equal tranches at six month intervals over eighteen months. If, within eighteen months of the Listing Date, the Company meets the "established issuer" criteria as set out in NP 46-201, the escrowed securities will be eligible for accelerated release available for established issuers. In such a scenario, that number of escrowed securities that would have been eligible for release from escrow if the Company had been an "established issuer" on the Listing Date will be immediately released from escrow. The remaining escrowed securities would be released in accordance with the timed release provisions for established issuers, with all escrowed securities being released eighteen months from the Listing Date.

Pursuant to the terms of the Escrow Agreement, 1,000,000 Common Shares will be held in escrow on the Listing Date.

Voluntary Hold Period

In addition to the escrow requirements described above, the 1,000,000 Common Shares held by the Company's Principals are also subject to a voluntary hold period, pursuant to a pooling agreement dated April 24, 2020, such that they may not be traded, sold or otherwise disposed of until the date that is 24 months from the Listing Date (the "**Pooling Agreement**").

PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and officers of the Company, as of the date of this Prospectus, and following the exercise of all the Special Warrants, no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to the Common Shares.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holdings

The following table provides the names, municipalities of residence, position, principal occupations 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:

Name and Municipality of Residence and Position with the Company	**Director/Officer Since**	**Principal Occupation**	**Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly**	
			As at the Date of this Prospectus(1)	Following the exercise of the Special Warrants(2)
Grant Hendrickson(3) Victoria, BC *Chief Executive Officer, President, and Director*	Director and Officer since September 17, 2019	Mr. Hendrickson has served as a director of Azucar Minerals Ltd. since February 2019 and as a director of Mineral Hill Industries since 2008. From 2008 to 2016, Mr. Hendrickson was the Director of Exploration with Goviex Gold Inc., Ibex Mongolia, and High Power Ventures Mongolia.	200,000 (1.3%)	200,000 (1.2%)

Name and Municipality of Residence and Position with the Company	Director/Officer Since	Principal Occupation	Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly	
			As at the Date of this Prospectus[(1)]	Following the exercise of the Special Warrants[(2)]
Andrew H. von Kursell Surrey, BC *Chief Financial Officer, Director*	September 17, 2019	Mr. von Kursell has served as a director and of Mineral Hill Industries Ltd since 2005. Mr. von Kursell also serves as current interim CFO of Mineral Hill. Mr. von Kursell has served as a director of Eelleet Network Corporation since 2012 and as a director of Lida Resources Inc. since 2018. Mr. von Kursell was a director of Nass Valley Gateway Ltd. from 2008 to June 2019 and served as a director and COO of Ascot Mining Plc from 2006 to 2015. While not engaged by a company, Mr. von Kursell acts as a mining consultant.	800,000 (5.3%)	800,000 (4.7%)
John Arthur Fiddick[(3)(4)] Burnaby, BC *Director*	December 17, 2019	Mr. Fiddick worked in the Public Company Banking Group at BMO's Vancouver Main branch from 1985 until his retirement in 2017. Mr. Fiddick was retired until being appointed as director of Canna-V-Cell Sciences Inc. in February 2019.	Nil	Nil
Peter Espig[(3)(4)] Vancouver, BC *Director*	December 17, 2019	Mr. Espig has served as the CEO of Nicola Mining Inc. since July, 2013. He has been the director of Meridius Resources Limited since February 2018 and Seawway Energy Services Inc. since October 2016.	Nil	Nil

Notes:
(1) Percentage is based on 14,998,273 Common Shares issued and outstanding as of the date of this Prospectus.
(2) Percentage is based on 17,096,686 Common Shares issued and outstanding following the exercise of all the Special Warrants.
(3) Denotes a member of the Audit Committee of the Company.
(4) Denotes an independent director.

The term of office of the directors expires annually at the time of the Company's annual general meeting. The term of office of the executive officers expires at the discretion of the Company's directors. None of the Company's directors or executive officers have entered into non-competition or non-disclosure agreements with the Company.

As at the date of this Prospectus, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercised control or discretion over an aggregate of 1,000,000 Common Shares, which is equal to 6.7% of the Common Shares issued and outstanding as at the date hereof.

Following the exercise of all the Special Warrants, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercised control or discretion over an aggregate of 1,000,000 Common Shares of the Company, which is equal to 5.8% of the Common Shares issued and outstanding following the exercise of all the Special Warrants.

Background

The following is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date hereof, experience in the Company's industry and the amount of time intended to be devoted to the affairs of the Company:

Grant Hendrickson – Director, President, and Chief Executive Officer, 71 *years old*

Mr. Hendrickson has served as a director of Azucar Minerals Ltd. and as a director of Mineral Hill Industries since 2008. Mr. Hendrickson also served as Chief Geophysicist with Ivanhoe Mines Mongolia Inc. from 2002- 2008, where he held overall responsibility for the geophysical work. From 2008 to 2016, Mr. Hendrickson was the Director of Exploration with Goviex Gold Inc., Ibex Mongolia, and High Power Ventures Mongolia. Prior to his work with Ivanhoe, Mr. Hendrickson was Managing Director of Delta Geoscience Ltd. from April 1986 to January 2005, and Director and Co-Founder of Praxis Goldfields Inc (2000-2007). Mr. Hendrickson hold a Bachelor of Science in geophysics and geology from the University of British Columbia (1971).

As the Chief Executive Officer of the Company, Mr. Hendrickson is responsible for the day-to-day operations, outside contractors and service providers, acquisitions and project development, and of the financial operations of the Company in conjunction with the Chief Financial Officer and with outside accounting, tax and auditing firms. Mr. Hendrickson expects to devote approximately 90% of his time to the Company's activities. Mr. Hendrickson is not an employee but is an independent consultant. Mr. Hendrickson has not entered into a non-competition or non-disclosure agreement with the Company.

Andrew H. von Kursell – Chief Financial Officer, Director, 83 *years old*

Mr. von Kursell has been involved in mining operations in Chile, Peru, Bolivia, Ecuador, Uganda and China. Mr. von Kursell is a Professional Engineer, registered in BC, Ontario, Life Member in Nova Scotia and retired in Yukon. He earned a Bachelor of Mining Engineering degree from McGill University in 1963. Mr. von Kursell has served as the interim CFO of Mineral Hill Industries Ltd., a company listed on the TSX Venture Exchange, since June 2014, and has chaired its audit committee since 2005. Mr. von Kursell further acted as interim CFO and chaired the audit committee of Nass Valley Gateway Ltd., a company listed on the Exchange, from June 2014 to June 2019. Mr. von Kursell has also acted as chair of the audit committee of Eelleet Network Corporation, an unlisted reporting issuer, since 2012.

As the Chief Financial Officer of the Company, Mr. von Kursell is responsible for coordination of the financial operations of the Company in conjunction with the Chief Executive Officer and with outside accounting, tax and auditing firms. Mr. von Kursell expects to devote approximately 90% of his time to the Company's activities. Mr. von Kursell is not an employee but is an independent consultant of the Company. Mr. von Kursell has not entered into a non-competition or non-disclosure agreement with the Company.

John Arthur Fiddick – *Director, 78 years old*.

Mr. Fiddick started the Public Banking Group at BMO Bank of Montreal in 1985, where he specialized in banking for venture capital companies, until he retired in 2017. He joined Canna-V-Cell Sciences Inc., a biofarming technology company listed on the CSE, as a director in February 2019. My Fiddick has taken numerous banking courses, beginning in 1959 until 2017, covering topics from loan processing, personal lending, commercial lending, and commercial cash management services. Mr. Fiddick has further taken a capital markets-focused course on mineral exploration provided by the BC Mining Association in 1988.

Mr. Fiddick expects to devote approximately 10% of his time to the Company's activities, but will at all times devote sufficient time to the Company's activities as is reasonably necessary to discharge his responsibilities as a director. Mr. Fiddick is not an employee but is an independent consultant of the Company. Mr. Fiddick has not entered into a non-competition or non-disclosure agreement with the Company.

Peter Espig – *Director,* 54 *years old*

Mr. Espig currently serves as the CEO of Nicola Mining Inc., a company listed on the TSX Venture Exchange, a position he has held since July 2013. He is experienced in the analysis of investment opportunities, raising capital, deal sourcing, financial structuring and corporate turnaround. Mr. Espig also served as Vice-President of the Principal Finance and Securitization Group and Asia Special Situations Group for Goldman Sachs Japan. Prior to joining Goldman Sachs, Mr. Espig served as Vice-President of Olympus Capital, a New York private equity firm, where he participated in corporate restructurings, investment analysis and financing negotiations for both domestic and international investments. Mr. Espig has been active in the turnaround of mining projects and has functioned in management roles and as a director for numerous mining companies.

In 1989, Mr. Espig received his B.A. from the University of British Columbia and later received his MBA from Columbia Business School.

Mr. Espig expects to devote approximately 10% of his time to the Company's activities, but will at all times devote sufficient time to the Company's activities as is reasonably necessary to discharge his responsibilities as a director. Mr. Espig has not entered into a non-competition or non-disclosure agreement with the Company.

Corporate Cease Trade Orders or Bankruptcies

No director or executive officer of the Company is, as at the date of this Prospectus, or was within ten years before the date hereof, a director, Chief Executive Officer or Chief Financial Officer of any company, including the Company, that:

(i) was subject to a cease trade order, an order similar to cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period for more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer; or

(ii) was subject to an a cease trade order, an order similar to cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period for more than 30 consecutive days, 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.

Penalties or Sanctions

Other than as disclosed below, no director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

(i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement with a regulatory authority; or

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

Bankruptcies

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

(i) is, as at the date of this Prospectus, or has been within the ten years before the date hereof, 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; or

(ii) has, within the ten years before the date hereof, 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.

Conflicts of Interest

The directors of the Company are required by law 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. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter.

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

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company. The directors and officers of the Company are directors and officers of other companies, some of which are in the same business as the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligations to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

EXECUTIVE COMPENSATION

The Company was not a reporting issuer at any time during the fiscal period commencing September 17, 2019 and ended December 31, 2019, the Company's most recently completed financial year. Accordingly, and in accordance with Form 51-102F6 *Statement of Executive Compensation* ("**Form 51-102F6**"), the following is a discussion of all significant elements of compensation to be awarded to, earned by, paid to or payable to Named Executive Officers of the Company, once the Company becomes a reporting issuer, to the extent this compensation has been determined.

For the purposes hereof, the term Named Executive Officer, or NEO, means each Chief Executive Officer, each Chief Financial Officer and the Company's most highly compensated executive officer, other than the Chief Executive Officer and the Chief Financial Officer, who was serving as an executive officer as at the end of the Corporation's most recently completed financial year and whose total compensation exceeds $150,000 and any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the Company's most recently completed financial year. The Company expects that for the fiscal year ended December 31, 2020, its NEOs will be Grant Hendrickson and Andrew H. von Kursell.

Compensation Discussion and Analysis

At its present stage of development, the Company does not have any formal objectives, criteria and analysis for determining the compensation of its Named Executive Officers and primarily relies on the discussions and determinations of the board of directors. With a view to minimizing its cash expenditures not directed at the exploration of the Property, the Company does not intend to pay compensation to management for the next 12 months, with the exception of fees to be paid to Andrew von Kursell, pursuant to his Consulting Agreement with the Company, dated November 1, 2019, of $2,000, plus GST, per month. However, this policy will be re-evaluated periodically.

Instead, the Company expects to grant incentive stock options to the Named Executive Officers and its non-executive directors, under a stock option plan to be adopted subsequent to listing on the Exchange in the amounts and on terms to be determined by the Board at that time.

Option Based Awards

The Company does not have a stock option plan and has not granted any stock options to its NEOs.

Defined Benefit Plans

The Company does not have any defined benefit or actuarial plan.

Termination and Change of Control Benefits

The Company does not have any contracts, agreements, plans or arrangements in place with any NEOs that provides for payment following or in connection with any termination (whether voluntary, involuntary or constructive) resignation, retirement, a change of control of the Company or a change in an NEOs responsibilities.

Director Compensation

The Company does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. As with the Named Executive Officers, the Board intends to compensate directors primarily through the grant of stock options, under a stock option plan to be adopted subsequent to listing on the Exchange, and reimbursement of expenses incurred by such persons acting as directors of the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

Other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5 *Information Circular* ("Form 51-102F5"), no directors, executive officers and employees and no former directors, executive officers and employees of the Company are or were indebted to the Company in connection with a purchase of securities and all other indebtedness as at the date of this Prospectus.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

Other than routine indebtedness, as that term is defined in paragraph 10.3(c) of Form 51-102F5, no directors or executive officers of the Company, and associates of such directors or executive officers are or were indebted to the Company as at the date of this Prospectus.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations. NI 52-110, NI 41-101 and Form 52-110F2 require the Company, as an IPO venture issuer, to disclose certain information relating to the Company's audit committee and its relationship with the Company's independent auditors.

Audit Committee Charter

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

Composition of Audit Committee

The members of the Company's Audit Committee are:

John Arthur Fiddick	Independent(1)	Financially literate(2)
Peter Espig (Chair)	Independent(1)	Financially literate(2)
Grant Hendrickson	Not Independent(1)	Financially literate(2)

Notes:

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Mr. Hendrickson is not independent, as Mr. Hendrickson is the Chief Executive Officer of the Company.

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

Relevant Education and Experience

Each member of the Company's present Audit Committee has adequate education and experience that is relevant to his 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) 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

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

See "Directors and Executive Officers" for further details of each audit committee member's relevant education and experience.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4, 6.1(4), (5), or (6) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees

The fees billed by the Company's external auditors in each of the last two fiscal years for audit and non-audit related services provided to the Company or its subsidiaries (if any) are as follows:

Financial Year End	Audit Fees	Audit Related Fees[(1)]	Tax Fees[(2)]	All other Fees[(3)]
December 31, 2019	$5,000[(4)]	**Nil**	**Nil**	**Nil**

Notes:

(1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.

(2) Fees charged for tax compliance, tax advice and tax planning services.

(3) Fees for services other than disclosed in any other column.

(4) Estimated fees for the audit respecting the period ended December 31, 2019, as fees have not yet been billed.

Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110, which states that the Company, as an IPO Venture Issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

CORPORATE GOVERNANCE

General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. NP 58-201 provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, NI 58-101 prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board. The Board is comprised of four directors: Grant Hendrickson, Andrew von Kursell, John Arthur Fiddick and Peter Espig. As the size of the Board is small, the Board has no formal procedures designed to facilitate the exercise of independent supervision over management, relying instead on the integrity of the individual members of its management team to act in the best interests of the Company.

Mr. Hendrickson is not independent, as he is the Chief Executive Officer and President of the Company, and Mr. von Kursell is not independent, as he is the Chief Financial Officer of the Company. Messrs. Fiddick and Espig are independent.

Directorships

Currently, the following directors are also directors of the following other reporting issuers:

Grant Hendrickson	Mineral Hill Industries Ltd. (TSXV) Azucar Minerals Ltd. (TSXV)
Andrew von Kursell	Mineral Hill Industries Ltd. (TSXV) The Eelleet Network Corp. (not listed) Lida Resources Inc. (not listed)
John Arthur Fiddick	Canna-V-Cell Sciences Inc. (CSE)
Peter Espig	Nicola Mining Inc. (TSXV) Meridius Resources Limited (TSXV) Seaway Energy Services Inc. (TSXV)

Orientation and Continuing Education

New Board members receive an orientation package which includes reports on operations and results, and any public disclosure filings by the Company, as may be applicable. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

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

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

Compensation

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

Other Board Committees

The Board has no committees, other than the Audit Committee.

Assessments

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

PLAN OF DISTRIBUTION

This Prospectus qualifies the distribution of 2,087,913 Units, and the Unit Shares and Warrants underlying the Units, to be issued, without additional payment, upon the exercise or deemed exercise of 2,087,913 Special Warrants. The distribution of the 10,500 Units issued to subscribers resident in Ontario and Alberta, and the Unit Shares and Warrants underlying those Units, are not being qualified under this Prospectus.

No securities are being offered or sold pursuant to this Prospectus. This Prospectus is being filed by the Company with its overseeing regulators. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and no agent or underwriter is involved.

Listing of Common Shares

The Company intends to apply to list its issued and outstanding Common Shares, under this Prospectus and all other Common Shares issuable as described in this Prospectus, on the Exchange. Listing of the Common Shares will be subject to the Company fulfilling all the listing requirements of the Exchange. The Special Warrants will not be listed on the Exchange.

IPO Venture Issuer

As at the date of the Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States of America. See "Risk Factors".

RISK FACTORS

General

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

Limited Operating History

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties in which the Company has an interest. The purpose of the Special Warrants Private Placement was to raise funds to carry out exploration and, if thought appropriate, development with the objective of establishing economic quantities of mineral reserves. There is no guarantee that economic quantities of mineral reserves will be discovered on any properties in which the Company has an interest in the near future or at all. If the Company does not generate revenue or is unable to raise further funds, it may be unable to sustain its operations in which case it may become insolvent and investors may lose their investment.

Speculative Nature of Mineral Exploration

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Financing Risks

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company. The Company's unallocated working capital is not sufficient to fund the recommended Phase 2 exploration program on the Property and there is no assurance that the Company can successfully obtain additional financing to fund such Phase 2 program.

While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the Property, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to purchasers under the Special Warrants Private Placement. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Property Interests

If the Company loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties. Unless the Company acquires additional property interests, any adverse developments affecting the Property could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

If the Company cannot raise additional equity financing, then it may lose some or all of its interest in the Property

The Company is required to make cash payments to the Optionor, and to incur work expenditures in order to maintain its interest in the Property. The Company's ability to maintain an interest in the Property may be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make periodic payments or expenditures required for the maintenance of the Company's interest in the Property and could result in a delay or postponement of further exploration and the partial or total loss of the Company's interest in the Property.

Commercial Ore Deposits

The Property is in the exploration stage only and is without a known body of commercial ore. Development of the Property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

Uninsurable Risks

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

Permits and Government Regulations

The future operations of the Company may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Property.

Environmental and Safety Regulations and Risks

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

Management

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business. In addition, the Company's ability to keep on personnel may be challenged as a result of potential COVID-19 outbreaks or quarantines.

Key Person Insurance

The Company does not maintain key person insurance on any of its directors or officers, and as result the Company would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by the Company from such loss of any director or officer.

Mineral Titles

The Company is satisfied that evidence of title to the Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Property. The Company may face challenges to the title of the Property or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Company's business plan.

Aboriginal Title

The Property or other future properties owned or optioned by the Company may now or in the future be the subject of First Nations land claims. The Asubpeeschoseewagong First Nation (also known as Grassy Narrows First Nation or the Asabiinyashkosiwagong Nitam-Anishinaabeg in the Ojibwe language) is an Ojibwe First Nation that inhabits northern Kenora. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with first nations in order to facilitate exploration and development work on the Property, and there is no assurance that the Company will be able to establish a practical working relationship with the First Nations in the area which would allow it to ultimately develop the Property.

On June 26, 2014, the Supreme Court of Canada (the "**SCC**") released a decision in *Tsilhqot'in Nation v. British Columbia* (the "**William Decision**"), pursuant to which the SCC upheld the First Nations' claim to Aboriginal title and rights over a large area of land in central British Columbia, including rights to decide how the land will be used, occupancy and economic benefits. The court ruling held that while the provincial government had the constitutional authority to regulate certain activity on aboriginal title lands, it had not adequately consulted with the Tsilhqot'in. The SCC also held that provincial laws of general application apply to land held under Aboriginal title if the laws are not unreasonable, impose no undue hardship, and do not deny the Aboriginal title holders their preferred means of exercising their rights. The Company currently does not hold any properties in the area involved in the William Decision. The Company will continue to manage its operations within the existing legal framework while paying close attention to the direction provided by the Courts regarding the application of this ruling.

COVID-19 Public Health Crisis

The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend. Such public health crises can result in volatility and disruptions in the supply and demand for gold and other metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect mineral prices, interest rates, credit ratings, credit risk, share prices and inflation. The risks to the Company of such public health crises also include slowdowns or temporary suspensions of operations in locations impacted by an outbreak, interruptions to supply chains and supplies upon on which the Company relies, restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others, increased labor costs, regulatory changes, political or economic instabilities or civil unrest.

As of the date of this Prospectus, the Ontario provincial government has designated businesses engaged in mineral exploration and development as an "essential service". Provided the Company's exploration activities continue to be so designated and the current availability of labour and supplies is not materially affected by new developments respecting COVID-19 or responses thereto, the Company expects that its personnel will be able to carry out surveying and drilling activities and complete the Phase 1 work program without significant delays or increases in cost.

The Company has and will continue to take measures recommended by Health Canada and applicable regulatory bodies, as appropriate. To date, the Company has introduced a "work from home policy" affecting its two executive officers and has reduced travel and transitioned to virtual meetings where feasible. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

Fluctuating Mineral Prices

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, including as a result of the significant market reaction to COVID-19. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

Competition

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

Negative Cash Flows From Operations

For the year ended December 31, 2019, the Company sustained net losses from operations and had negative cash flow from operating activities of $25,928. The Company continues to have negative operating cash flow. It is possible the Company may have negative cash flow in any future period and as a result, the Company may need to use available cash, including proceeds from the Private Placements and any future financings to fund any such negative cash flow.

Resale of Common Shares

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

Community Groups

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**") who oppose resource development can be vocal critics of the mining industry. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in executing on its business plan, creating revenues, cash flows or earnings. The value of the Common Shares will be affected by such volatility. There is currently no public market for the Common Shares. An active public market for the Common Shares might not develop or be sustained after the Listing Date. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the price at which the Special Warrant were issued.

Conflicts of Interest

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the British Columbia *Business Corporations Act*. Some of the directors and officers of the Company are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to the Company and their duties to the other companies on whose boards they serve, the directors and officers of the Company have agreed to the following:

- participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate; and

- no commissions or other extraordinary consideration will be paid to such directors and officers; and business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

Tax Issues

Income tax consequences in relation to the Common Shares will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers prior to investing in Common Shares of the Company.

Dividends

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

PROMOTER

Grant Hendrickson may be considered to be the Promoter of the Company in that he took the initiative in organizing the business of the Company.

No person who was a Promoter of the Company:

1. received anything of value directly or indirectly from the Company;

2. sold or otherwise transferred any asset to the Company within the last 2 years;

3. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO;

4. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the person ceased to be a director, CEO or CFO and which resulted from an event that occurred while the person was acting in the capacity as director, CEO or CFO;

5. is at of the date hereof, or was within 10 years before the date hereof, a director or executive officer of any person or company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 or receiver manager or trustee appointed to hold its assets;

6. has, within 10 years before the date hereof, 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 person;

7. has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;

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

9. has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or

compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

LEGAL PROCEEDINGS

Legal Proceedings

The Company is not currently a party to any legal proceedings, nor is the Company currently contemplating any legal proceedings, which are material to its business. Management of the Company is not currently aware of any legal proceedings contemplated against the Company.

Regulatory Actions

From incorporation to the date of this Prospectus, management knows of no:

(i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority;

(ii) other penalties or sanctions imposed by a court or regulatory body against the Company necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and

(iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as noted in this Prospectus, from incorporation to the date of this Prospectus, none of the following persons or companies has had any material interest, direct or indirect, in any transaction which has materially affected or is reasonably expected to materially affect the Company:

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

(b) any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% of any class or series of the Company’s outstanding voting securities; and

(c) any associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b).

AUDITORS

The auditor of the Company is Crowe MacKay LLP, at 1100 - 1177 West Hastings Street Vancouver, British Columbia V6E 4T5 (“**Crowe MacKay**”).

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Company is Odyssey Trust Company, at 323 – 409 Granville Street, Vancouver, BC V6C 1T2.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company from incorporation to the date of this Prospectus which are currently in effect and considered to be currently material:

1. The Registrar and Transfer Agent Agreement dated January 9, 2020;
2. The Escrow Agreement dated April 24, 2020;
3. The Pooling Agreement dated April 24, 2020; and
4. The Property Agreement with the Optionor dated November 24, 2019.

Copies of the material contracts will be available under the Company's profile at www.sedar.com upon the issuance of the final receipt for this Prospectus.

EXPERTS

Names of Experts

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company are named in this Prospectus as having prepared or certified a report, valuation, statement or opinion in this Prospectus:

The Technical Report was prepared by Muzaffer Sultan, Ph.D., P.Geo. Mr. Sultan has no interest in the Company, the Company's securities or the Property.

Crowe MacKay, auditor of the Company, who prepared the independent auditor's report on the Company's audited financial statements included in and forming part of this Prospectus, has informed the Company that it is independent of the Company within the meaning of the code of professional conduct of the Chartered Professional Accountants of British Columbia.

Interests of Experts

None of the persons set out under the heading "Experts – Names of Experts" have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person prepared the report, valuation, statement or opinion aforementioned or thereafter.

OTHER MATERIAL FACTS

There are no other material facts about the securities being distributed pursuant to this the Special Warrants Private Placement that are not disclosed under any other items and are necessary in order for this Prospectus to contain full, true and plain disclosure of all material facts relating to the Common Shares to be distributed.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the Province of British Columbia 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 some provinces, the securities legislation further provides a purchaser with remedies for rescission, revisions of the price, or damages if this Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

Audited financial statements of the Company for the period ended December 31, 2019 are included in this Prospectus as Schedule “B”.

SCHEDULE "A"

Audit Committee Charter

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company's audit committee, or its Board of Directors in lieu thereof (the "Audit Committee"). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

Composition

- *Number of Members*. The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.

- The members of the Committee will be appointed by the board of directors of the Company ("Board") annually at the first meeting of the Board following the annual meeting of the shareholders, to serve until the next annual meeting of shareholders or until their successors are duly appointed.

- *Chair*. If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the "Chair") to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.

- *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

Meetings

- *Quorum*. The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.

- *Agenda*. The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.

- *Notice to Auditors*. The Company's auditors (the "Auditors") will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor's duties.

- *Minutes*. Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

<u>External Auditor</u>

The Audit Committee will:

A. *Selection of the external auditor*. Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.

B. *Scope of Work*. Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.

C. *Compensation*. Recommend to the Board the compensation to be paid to the external auditors.

D. *Replacement of Auditor*. If necessary, recommend the replacement of the Auditor to the Board of Directors.

E. *Approve Non-Audit Related Services*. Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.

F. *Direct Responsibility for Overseeing Work of Auditors*. Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.

G. *Resolution of Disputes*. Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

Consolidated Financial Statements and Financial Information

The Audit Committee will:

H. *Review Audited Financial Statements*. Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.

I. *Review of Interim Financial Statements*. Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.

J. *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports*. Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.

K. *Auditor Reports and Recommendations*. Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

Risk Management, Internal Controls and Information Systems

The Audit Committee will:

L. *Internal Control*. Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.

M. *Financial Management*. Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.

N. *Accounting Policies and Practices*. Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.

O. *Litigation*. Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.

P. *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

Complaints

Q. *Accounting, Auditing and Internal Control Complaints*. The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.

R. *Employee Complaints*. The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

Authority

- *Auditor*. The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.

- *To Retain Independent Advisors*. The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

Reporting

The Audit Committee will report to the Board on:

- the Auditor's independence;

- the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;

- the reappointment and termination of the Auditor;

- the adequacy of the Company's internal controls and disclosure controls;

- the Audit Committee's review of the annual and interim consolidated financial statements;

- the Audit Committee's review of the annual and interim management discussion and analysis;

- the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and

- all other material matters dealt with by the Audit Committee.

SCHEDULE "B"

FINANCIAL STATEMENTS FOR THE PERIOD ENDED DECEMBER 31, 2019

[See attached]

MAKARA MINING CORP.

ANNUAL FINANCIAL STATEMENTS

December 31, 2019

(Expressed in Canadian Dollars)

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Independent Auditor's Report

To the Directors of Makara Mining Corp.

Opinion

We have audited the financial statements of Makara Mining Corp. ("the Company"), which comprise the statement of financial position as at December 31, 2019 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019, and its financial performance and its cash flows for the period 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 2 to the financial statements which describes the material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

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.

"Crowe MacKay LLP"

Chartered Professional Accountants
Vancouver, Canada
April 27, 2020

MAKARA MINING CORP.
STATEMENT OF FINANCIAL POSITION
December 31, 2019
(Expressed in Canadian Dollars)

		December 31, 2019
ASSETS		
Current		
Cash and cash equivalents	$	338,997
Amount receivable		1,239
		340,236
Exploration and evaluation assets (Note 5)		40,000
	$	380,236
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$	14,567
SHAREHOLDERS' EQUITY		
Share capital (Note 6)		419,925
Deficit		(54,256)
		365,669
	$	380,236

Going concern (Note 2)
Commitments (Notes 5 and 6)
Subsequent event (Note 11)

APPROVED ON BEHALF OF THE BOARD:

"Andrew H. von Kursell" Director
Andrew H. von Kursell

"Grant Hendrickson" Director
Grant Hendrickson

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

MAKARA MINING CORP.
STATEMENT OF LOSS AND COMPREHENSIVE LOSS
For the period from September 17, 2019 (date of incorporation) to December 31, 2019
(Expressed in Canadian Dollars)

		Period from September 17, 2019 to December 31, 2019
Administrative expenses		
Consulting fees (Note 7)	$	14,750
Office and general		1,106
General exploration costs		15,000
Share-based payments (Notes 6 and 7)		15,000
Professional fees		8,400
Net loss and comprehensive loss for the period	$	(54,256)
Basic and diluted loss per share	$	(0.01)
Weighted average number of common shares outstanding		5,461,866

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

MAKARA MINING CORP.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the period ended December 31, 2019
(Expressed in Canadian Dollars)

	Number of Shares	Capital Stock	Deficit	Total Shareholders' Equity
Balance, September 17, 2019	1	$ -	$ -	$ -
Incorporator share returned to treasury	(1)	-	-	-
Share issuances				
Private placement (Note 6)	1,000,000	20,000	-	20,000
Private placement (Note 6)	9,999,633	199,993	-	199,993
Private placement (Note 6)	3,998,640	199,932	-	199,932
Net loss for the period	-	-	(54,256)	(54,256)
Balance, December 31, 2019	14,998,273	$ 419,925	$ (54,256)	$ 365,669

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

MAKARA MINING CORP.
STATEMENTS OF CASH FLOWS
For the period from September 17, 2019 (date of incorporation) to December 31, 2019
(Expressed in Canadian Dollars)

		Period from September 17, 2019 to December 31, 2019
Operating Activities		
Net loss for the period	$	(54,256)
Items not affecting cash:		
Share-based payments		15,000
Changes in non-cash working capital items related to operations:		
Amount receivable		(1,239)
Accounts payable and accrued liabilities		14,567
Cash used in operating activities		(25,928)
Investing Activity		
Mineral property acquisition		(40,000)
Cash used in Investing activity		(40,000)
Financing Activity		
Shares issued for cash		404,925
Cash provided by financing activity		404,925
Change in cash during the period		338,997
Cash and cash equivalents, beginning of period		-
Cash and cash equivalents, end of the period	$	338,997
Cash and cash equivalents consist of:		
Cash	$	322,556
Cash held in trust		16,441
	$	338,997
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period:		
Interest	$	-
Income taxes	$	-

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a mineral property exploration company that is planning an initial public offering ("IPO") of its shares and intends to list on the Canadian Securities Exchange ("CSE").

The Company has an option agreement to earn an interest in a mineral property located in the Kenora Mining Region, Ontario (Note 5) and has not yet determined whether this property contains reserves that are economically recoverable. The recoverability of amounts from the property is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property option agreement and to complete the development of the property and upon future profitable production or proceeds for the sale thereof.

The Company was incorporated on September 17, 2019 in British Columbia. The head office of the Company is located at 409 Granville Street, Suite 1000, Vancouver, British Columbia, Canada, V6C 1T2 and its registered and records office is located at 6th Floor, 905 West Pender Street, Vancouver, British Columbia, Canada, V6C 1L6.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee.

These financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on April 27, 2020.

(b) Basis of Measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Going Concern

These 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. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At December 31, 2019, the Company has not achieved profitable operations, has accumulated losses of $54,256 since inception and expects to incur further losses in the development of its business.

2. BASIS OF PREPARATION – (cont'd)

(c) Going Concern – (cont'd)

Subsequent to year-end, there was a global pandemic outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its exploration and evaluation activities, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently in the financial statements, unless otherwise indicated.

<u>Cash and Cash Equivalents</u>

Cash include cash on hand that is readily convertible to known amounts of cash and subject to an insignificant risk of change in value. As at December 31, 2019, the Company had $16,441 held in trust with its legal counsel.

<u>Exploration and Evaluation Assets</u>

Exploration and evaluation rights to explore

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration, option payment under an earn-in arrangement and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. Once the technical feasibility and commercial viability of extracting the mineral resources has been determined, the property is considered to be a mine under development and development costs are capitalized to "mines under construction" on the statement of financial position. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

Exploration and evaluation expenditures

Exploration and evaluation ("E & E") expenditures are charged to operations in the year incurred until such time as it has been determined that a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment.

3. SIGNIFICANT ACCOUNTING POLICIES – (cont'd)

Impairment of Assets

The Company's assets are reviewed for an indication of impairment at each statement of financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in the profit or loss for the period. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Financial Instruments

Financial Assets

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. These are the measurement categories under which the Company classifies its financial assets:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measures at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

3. SIGNIFICANT ACCOUNTING POLICIES – (cont'd)

Financial Instruments – (cont'd)

- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss in the period which it arises.

The Company's cash and cash equivalents are measured at amortized cost.

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 of 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 income (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.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost.

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, as financial liabilities held at amortized cost.

Provisions

Rehabilitation Provision

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the year in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related exploration and evaluation assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

3. SIGNIFICANT ACCOUNTING POLICIES – (cont'd)

Provisions – (cont'd)

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur.

Other 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.

Basic and Diluted Loss Per Share

Basic loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. There were no potentially dilutive common shares related to warrants outstanding at December 31, 2019. Accordingly, there is no difference in the amounts presented for basic and diluted loss per share.

Income Taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss), in which case the income tax is also recognized directly in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred income tax assets and liabilities are presented as non-current.

3. SIGNIFICANT ACCOUNTING POLICIES – (cont'd)

Share Capital

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the date of issuance once the shares are listed on a stock exchange. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded to contributed surplus.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in net loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Critical judgments in applying accounting policies

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

Exploration and Evaluation Asset and Impairment

The application of the Company's accounting policy for exploration and evaluation assets and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

Going Concern

The assessment of the Company's ability to continue as a going concern requires significant judgement. See Note 2(c).

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title or interest therein. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS – (cont'd)

Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

5. EXPLORATION AND EVALUATION ASSETS

By a mineral property option agreement dated November 24, 2019, the Company may acquire up to a 100% interest in the Kenora Gold Property. This property consists of 40 mineral tenures and is located in the Kenora Mining Region, Ontario. As consideration, the Company will pay cash of $110,000, issue 700,000 common shares of the Company and incur $360,000 in exploration expenditures as follows:

a) Cash payment of $40,000 within seven days of signing of the Agreement (paid);
b) Incur a minimum of $110,000 in exploration expenditures within the first year from the agreement date (November 24, 2020);
c) Cash payment of $30,000 and issuance of 300,000 common shares of the Company on the first anniversary of the listing of the Company on the CSE; and
d) Cash payment of $40,000, issuance of 400,000 common shares of the Company and incur a minimum of $250,000 in exploration expenditures on or before the second anniversary date of the agreement (November 24, 2021).

Should the Company acquire 100% of the property, the optionor will retain a 1% net smelter returns royalty, one half of which may be purchased by the Company for $500,000. The property is also subject to an aggregate of 4.5% in net smelter returns royalties in favour of previous owners of the property.

6. SHARE CAPITAL

(a) Authorized

Unlimited common shares with no par value.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL – (cont'd)

(b) Issued

On September 17, 2019, the Company issued 1 common share for total proceeds of $0.10, which was returned to treasury on October 4, 2019.

On October 4, 2019, the Company issued 1,000,000 common shares at $0.005 per share for total proceeds of $5,000 and recognized a share-based payment of $0.015 per share for a total of $15,000. The 1,000,000 common shares will be held in escrow for two years from the date the Company's shares commence trading on the CSE.

On November 21, 2019, the Company issued 9,999,633 common shares at $0.02 per share for total proceeds of $199,993.

On December 12, 2019, the Company issued 3,998,640 units at $0.05 per unit for total proceeds of $199,932. Each unit is comprised of one common share and one share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at $0.10 per share expiring two years from the date the Company's shares commence trading on the CSE.

(c) Share Purchase Warrants

The changes in warrants were as follows:

	December 31, 2019	**Weighted Average Exercise Price**
Balance, beginning of period	-	$0.00
Issued	3,998,640	$0.10
Balance, end of period	3,998,640	$0.10

As at December 31, 2019, the Company had 3,998,640 share purchase warrants exercisable at $0.10 per share expiring two years from the date the Company's shares commence trading on the CSE.

(d) Escrow Shares

Pursuant to the subscription agreements pursuant to which such shares were issued by the Company, the 1,000,000 common shares issued on October 4, 2019 will be held in escrow for two years from the date the Company's shares commence trading on the CSE. In addition, pursuant to an escrow agreement to be entered into between the Company and the holders of such shares, such shares will be placed into escrow to be released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date.

(Expressed in Canadian Dollars)

7. RELATED PARTY TRANSACTIONS AND BALANCES

The following expenses were incurred with key management personnel of the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

		Period from September 17, 2019 to December 31, 2019
Consulting fees	Andrew H. von Kursell, CFO	$ 6,000
Share-based payments	Andrew H. von Kursell, CFO	12,000
	Grant A. Hendrickson, President and CEO	3,000
		15,000
		$ 21,000

On November 1, 2019, the Company entered into a consulting agreement with Andrew von Kursell for consulting services for a period of one year at a monthly rate of $2,000 per month which shall automatically be renewed on the same terms and conditions from month to month until terminated.

8. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of resource properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject to. Capital of the Company comprises of cash and cash equivalents and shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the period.

9. FINANCIAL INSTRUMENTS AND RISKS

The company is exposed through its operations to the following financial risks:

- Liquidity risk
- Market risk
- Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them unless otherwise stated in the note.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at December 31, 2019, the Company had a working capital of $325,669.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Interest rate risk

The Company is not exposed to significant interest rate risk.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

(Expressed in Canadian Dollars)

9. FINANCIAL INSTRUMENTS AND RISKS – (cont'd)

Credit Risk

Financial instruments that potentially expose the Company to credit risk is cash and cash equivalents. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

Fair Values

The Company's financial instruments include cash and cash equivalents and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature. It is impractical to determine the fair value of these financial instruments with sufficient reliability due to the nature of these financial instruments, the absence of secondary market and the significant cost of obtaining external appraisals. The fair value of these financial instruments approximates their carrying value under the effective interest method.

Fair Value Hierarchy

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

10. INCOME TAXES

The difference between tax expense for the period and the expected income taxes based on the statutory tax rates arises as follows:

		Period from September 17, 2019 to December 31, 2019
Loss before tax	$	(54,256)
Income tax recovery at local statutory rates – 27%	$	(14,700)
Permanent differences		4,100
Change in unrecognized tax benefits not recognized		10,600
	$	-

(Expressed in Canadian Dollars)

10. INCOME TAXES – (cont'd)

The nature and tax effect of the taxable temporary differences giving rise to deferred tax assets are summarized as follows:

		Period from September 17, 2019 to December 31, 2019
Non-capital losses	$	6,500
Resource properties		4,100
Unrecognized deferred tax assets		(10,600)
	$	-

As at December 31, 2019, the Company has Canadian exploration and development expenses of approximately $55,000 and estimated non-capital losses of $24,300 for Canadian income tax purposes that may be carried forward to reduce taxable income derived in future years, and if not utilized the non-capital loss will expire in 2039.

11. SUBSEQUENT EVENT

On February 7 , 2020, the Company issued an aggregate of 2,098,413 Special Warrants at a price of $0.10 per Special Warrant and received gross proceeds of $209,841. Each Special Warrant entitles the holder to acquire, without further payment, one unit. Each unit will be comprised of one common share of the Company and one warrant, exercisable into one common share of the Company at an exercise price of $0.20 for two years from the date the Company's shares commence trading on the CSE. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the date on which a receipt for a final prospectus to qualify for distribution the units is received by the Company from the British Columbia Securities Commission; and (b) one year from the issuance date.

SCHEDULE “C”

MANAGEMENT’S DISCUSSION & ANALYSIS

[See attached]

The following Management's Discussion and Analysis ("MD&A") is prepared as at April 27, 2020 in accordance with National Instrument 51-102F1, and should be read together with the audited financial statements for the period ended December 31, 2019 and related notes, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's fiscal year end is December 31. Additional information regarding the Company will be available through the SEDAR website at www.sedar.com.

Certain information included in this MD&A may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements.

Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

The Company's forward-looking statements are based on the Company's beliefs and assumptions, which are based on information available at the time these assumptions are made. The forward looking statements contained herein are as of April 27, 2020, and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information, or statements, may not be achieved and that the assumptions underlying such information or statements will not prove to be accurate.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, as a result of numerous risks, uncertainties and other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward-looking information beyond the procedures required under applicable securities laws.

All dollar figures are stated in Canadian dollars unless otherwise indicated.

The Company's Business

The Company was incorporated on September 17, 2019 in British Columbia. The Company's head office and principal address is located at 409 Granville Street, Suite 1000, Vancouver, British Columbia, Canada, V6C 1T2, and the Company's registered and records office is located at 6th Floor, 905 W Pender Street, Vancouver, British Columbia, Canada, V6C 1L6. The Company's registered address is at the same address.

The Company has an option agreement to earn an interest in a mineral property (the "Property") located in the Kenora Mining Region, Ontario and has not yet determined whether the Property contains reserves that are economically recoverable. The recoverability of amounts from the Property is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying Property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property option agreement and to complete the development of the Property and upon future profitable production or proceeds for the sale thereof.

Selected Annual Financial Information

The table below sets out certain selected financial information regarding the operations of the Company for the period indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes.

	Period from September 17, 2019 to December 31, 2019
	(audited)
Revenue	$ -
Net loss and comprehensive loss	$ 54,256
Loss per share(1)	$ 0.01
Total assets	$ 380,236

Note: (1) Based on the weighted average number of common shares outstanding during the period from September 17, 2019 to December 31, 2019, being 5,461,866.

The Company was incorporated on September 17, 2019 and December 31, 2019 was the Company's first fiscal year end. The Company did not record any revenues in the period ended December 31, 2019 and incurred a net loss of $54,256. The net loss of $54,256 in the period is largely attributed to consulting fees, general exploration cost and share-based compensation which was recorded in conjunction with the October 4, 2019 private placement.

The Company's total assets for the period ended December 31, 2019 were $380,236, which is mainly comprised of cash and cash equivalents and exploration and evaluation assets.

The Company has not declared any dividends since its incorporation and does not anticipate paying cash dividends in the foreseeable future on its common shares and intends to retain any future earnings to finance internal growth, acquisitions and development of its business. Any future determination to pay cash dividends will be at the discretion of the board of directors of the Company and will depend upon the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors of deems relevant.

Selected Quarterly Financial Information

A summary of results for the two quarter since incorporation follows:

	Three months ended December 31, 2019	Period from September 17, 2019 to September 30, 2019
	(unaudited)	(unaudited)
Revenue	$ -	$ -
Net loss	$ 52,644	$ 1,612
Comprehensive loss	$ 52,644	$ -
Loss per share(1)	$ 0.01	$ 1,612

Note: (1) Based on (i) the weighted average number of common shares outstanding during the period from October 1, 2019 to December 31, 2019, being 6,293,019, and (ii) the weighted average number of common shares outstanding during the period from September 17, 2019 to September 30, 2019, being one (1).

The Company was incorporated on September 17, 2019 and the quarter ended September 30, 2019 was the Company's first fiscal quarter reported. During the three months ended September 30, 2019, the Company recorded a net loss of $1,612, which was for legal fees incurred in connection with the setup of the Company. During the three months ended December 31, 2019, the Company recorded a net loss of $52,644 as compared to a net loss of $1,612 for the previous quarter. The increase can be attributed to consulting fees and general exploration cost and share-based compensation, which was recorded in conjunction with the October 4, 2019 private placement.

Results of Operations

The Company was incorporated on September 17, 2019 and December 31, 2019 was the Company's first fiscal year end. The Company did not record any revenues in the period ended December 31, 2019 and incurred a net loss of $54,256. The net loss of $54,256 in the period is largely attributed to consulting fees paid to external party for administrative services and to the CFO of the Company and general exploration cost as the Company adopted the policy of expensing general exploration cost. The Company also recognized share-based compensation of $15,000 which was recorded in conjunction with the October 4, 2019 private placement.

Fourth Quarter

As noted above in the results of operations, the Company incurred a net loss of $54,256 during the period from September 17, 2019 to December 31, 2019, the majority of which was incurred in the fourth quarter. The Company recorded a net loss of $52,644 in the fourth quarter consisting of consulting fees, general exploration cost and share-based compensation as noted above.

Liquidity and Capital Resources

The Company's cash position as at December 31, 2019 was $338,997 with a working capital of $325,669. Total assets as at December 31, 2019 was $380,236.

The Company believes that the current capital resources are sufficient to pay overhead expenses for the next twelve months and is in the process of raising additional funding to fund its overhead expenses and its exploration program. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company may not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options and warrants to fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

On October 4, 2019, the Company issued 1,000,000 common shares at $0.005 per share for total proceeds of $5,000 and recognized a share-based payment of $0.015 per share for a total of $15,000. The 1,000,000 common shares will be held in escrow for two years from the date the Company's shares commence trading on the Canadian Securities Exchange (the "CSE").

On November 21, 2019, the Company issued 9,999,633 common shares at $0.02 per share for total proceeds of $199,993.

On December 12, 2019, the Company issued 3,998,640 units at $0.05 per unit for total proceeds of $199,932. Each unit is comprised of one common share and one share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at $0.10 per share expiring two years from the date the Company's shares commence trading on the CSE.

The Company manages its capital structure in order to ensure sufficient resources are available to meet operational requirements and safeguard its ability to continue as a going concern. There are no externally imposed capital requirements on the Company. Management considers the items included in shareholders' equity (deficit) and working capital as capital. The Company manages the capital structure and makes adjustments in response to changes in economic conditions, including the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing.

Going Concern

The audited 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. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At December 31, 2019, the Company has not achieved profitable operations, has accumulated losses of $54,256 since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its operations, its ability to attain profitable operations to generate funds, and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

Off Balance Sheet Arrangements

The Company does not have any off balance sheet arrangements.

Financial Instruments

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

Credit risk

Financial instruments that potentially expose the Company to credit risk is cash and cash equivalents. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at December 31, 2019, the Company had a working capital of $325,669.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Related Party Transactions

Related party transactions are comprised of services rendered by directors and/or officers of the Company or by a company with a director and/or officer in common. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key Management Compensation

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Company's executive officers and members of the Board of Directors. Key management compensation consisted of the following:

		Period from September 17, 2019 to December 31, 2019
Consulting fees	Andrew H. von Kursell, CFO	$ 6,000
Share-based payments	Andrew H. von Kursell, CFO	12,000
	Grant A. Hendrickson, President and CEO	3,000
		15,000
		$ 21,000

On November 1, 2019, the Company entered into a consulting agreement with Andrew von Kursell for consulting services for a period of one year at a monthly rate of $2,000 per month which shall automatically be renewed on the same terms and conditions from month to month until terminated.

Proposed Transaction

N/A

Subsequent Events

On February 7 , 2020, the Company issued an aggregate of 2,098,413 special warrants (each, a "Special Warrant") at a price of $0.10 per Special Warrant and received gross proceeds of $209,841. Each Special Warrant entitles the holder to acquire, without further payment, one unit (a "Unit"). Each Unit will be comprised of one common share of the Company and one warrant, exercisable into one common share of the Company at an exercise price of $0.20 for two years from the date the Company's shares commence trading on the CSE. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the date on which a receipt for a final prospectus to qualify for distribution the Units is received by the Company from the British Columbia Securities Commission; and (b) one year from the issuance date.

Outstanding Share Data

Below is the summary of the Company's share capital as at December 31, 2019 and as of the date of this report:

	As at	
Security description	December 31, 2019	April 27, 2020
Common shares – issued and outstanding	14,998,273	14,998,273
Warrants issued in private placements	3,998,640	3,998,640
Common shares underlying Special Warrants	Nil	2,098,413
Warrants underlying Special Warrants	Nil	2,098,413
Common shares – fully diluted	18,996,913	23,193,739

Critical Accounting Estimates and Judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed in note 4 to the financial statements.

Business and Industry Risks

There are a number of risk factors that could cause future results to differ materially from those described herein. The following sets out the principal risks faced by the Company. Additional risks and uncertainties, including those that the Company does not know about or that it currently deems immaterial, could also adversely impact the Company's business and results of operations.

Limited Operating History

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties in which the Company has an interest. The purpose of the Special Warrants private placement was to raise funds to carry out exploration and, if thought appropriate, development with the objective of establishing economic quantities of mineral reserves. There is no guarantee that economic quantities of mineral reserves will be discovered on any properties in which the Company has an interest in the near future or at all. If the Company does not generate revenue or is unable to raise further funds, it may be unable to sustain its operations in which case it may become insolvent and investors may lose their investment.

Speculative Nature of Mineral Exploration

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Financing Risks

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company. The Company's unallocated working capital is not sufficient to fund its recommended work program and there is no assurance that the Company can successfully obtain additional financing to fund such program.

While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the Property, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to purchasers under the Special Warrants

Private Placement. At present it is impossible to determine what amounts of additional funds, if any, may be required.

COVID-19 Public Health Crisis

The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend. Such public health crises can result in volatility and disruptions in the supply and demand for gold and other metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect mineral prices, interest rates, credit ratings, credit risk, share prices and inflation. The risks to the Company of such public health crises also include slowdowns or temporary suspensions of operations in locations impacted by an outbreak, interruptions to supply chains and supplies upon on which the Company relies, restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others, increased labor costs, regulatory changes, political or economic instabilities or civil unrest.

As of the date hereof, the Ontario provincial government has designated businesses engaged in mineral exploration and development as an "essential service". Provided the Company's exploration activities continue to be so designated and the current availability of labour and supplies is not materially affected by new developments respecting COVID-19 or responses thereto, the Company expects that its personnel will be able to carry out surveying and drilling activities and complete the Phase 1 work program respecting the Property without significant delays or increases in cost.

The Company has and will continue to take measures recommended by Health Canada and applicable regulatory bodies, as appropriate. To date, the Company has introduced a "work from home policy" affecting its two executive officers and has reduced travel and transitioned to virtual meetings where feasible. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

Property Interests

If the Company loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties. Unless the Company acquires additional property interests, any adverse developments affecting the Property could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

If the Company cannot raise additional equity financing, then it may lose some or all of its interest in the Property

The Company is required to make cash payments to the optionor of the Property, and to incur work expenditures in order to maintain its interest in the Property. The Company's ability to maintain an interest in the Property may be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make periodic payments or expenditures required for the maintenance of the Company's interest in the Property and could result in a delay or postponement of further exploration and the partial or total loss of the Company's interest in the Property.

Commercial Ore Deposits

The Property is in the exploration stage only and is without a known body of commercial ore. Development of the Property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

Uninsurable Risks

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

CERTIFICATE OF THE COMPANY

Date: April 27, 2020

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of the Province of British Columbia.

/s/ Grant Hendrickson	/s/ Andrew von Kursell
Grant Hendrickson President, Chief Executive Officer, Director	Andrew von Kursell Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

/s/ Peter Espig	/s/ John Arthur Fiddick
Peter Espig Director	John Arthur Fiddick Director

CERTIFICATE OF THE PROMOTER

Date: April 27, 2020

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of the Province of British Columbia.

/s/ Grant Hendrickson

Grant Hendrickson
Promoter