

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus does not constitute a public offering of securities.*

*The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and except pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws, may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. Person (as that term is defined in Regulation S under the U.S. Securities Act). This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the account or benefit of, any U.S. Persons.*

**New Issue**

**March 31, 2021**

## **PROSPECTUS**

### **QUEBEC SILICA RESOURCES CORP.**

---

This non-offering prospectus (the "**Prospectus**") of Quebec Silica Resources Corp. (the "**Company**"), is being filed with the British Columbia Securities Commission (the "**Qualifying Jurisdiction**") for the purposes of the Company becoming a reporting issuer pursuant to applicable securities legislation in the Province of British Columbia and to qualify the distribution of the following securities:

- 685,000 Common Shares in the capital of the Company issuable without payment upon the deemed conversion of all of the currently issued and outstanding 2018 Special Warrants.

Upon the final receipt of this Prospectus by the Qualifying Jurisdiction, the Company will become a reporting issuer in British Columbia. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses in connection with the preparation and filing of this Prospectus will be paid by the Company from its general corporate funds.

The 2018 Special Warrants were issued, on a private placement basis, on June 12, 2018, at a price of \$0.10 per Special Warrant, to purchasers in the Province of British Columbia. The 2018 Special Warrants were issued pursuant to certain prospectus exemptions under applicable Canadian securities legislation. The Common Shares issuable upon the conversion of the 2018 Special Warrants are referred to herein as the "**Qualified Securities**". **The 2018 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 Qualified Securities.**

Each of the 2018 Special Warrants is represented by a 2018 Special Warrant Certificate and will be deemed converted and exchanged, without payment of any additional consideration and without any further action by the holder, for one Common Share, on the third business day after the Prospectus Receipt Date (defined herein). The 2018 Special Warrants and the conditions necessary for them to be converted are described in more detail under the heading "*Description of Securities*" in this prospectus.

The Company has granted to each holder of a 2018 Special Warrant 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 holder of a 2018 Special Warrant who acquires another security of the Company on exercise of the 2018 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 this Prospectus or an amendment to this Prospectus containing a misrepresentation, (a) the holder is entitled to rescission of both the holder's exercise of its 2018 Special Warrant and the private placement transaction under which the 2018 Special Warrant was initially acquired, (b) 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 2018 Special Warrant, and (c) if the holder is a permitted assignee

of the interest of the original 2018 Special Warrant subscriber, the holder is entitled to exercise the rights of rescission and refund as if the holder was the original subscriber.

**There is no market through which the securities of the Company may be sold. This may affect the pricing of the Company's securities in the secondary markets; the transparency and availability of trading prices; the liquidity of the Company's securities and the extent of issuer regulations. See "Risk Factors" and "Forward-Looking Information".**

We have applied to list (the "**Listing**") our common shares (the "**Common Shares**") on the Canadian Securities Exchange (the "**CSE**"). The CSE provided its conditional approval of the Listing on March 15, 2021. Listing is subject to the Company fulfilling all of the listing requirements of the CSE including without limitation the Company meeting certain financial and other requirements. 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 on the Toronto Stock Exchange, Aequitas Neo Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America.

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

**This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities.**

**An investment in Common Shares of the Company is highly speculative due to various factors, including the nature and stage of development of the business of the Company. An investment in these securities should only be made by persons who can afford the total loss of their investment. See "Risk Factors".**

**Investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of Common Shares, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires Common Shares.**

**Prospective investors should rely only on the information contained in this Prospectus. The Company has not authorized anyone to provide you with different information. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery. The Company's business, financial condition, results of operations and prospects may have changed since that date.**

In this Prospectus, "we", "us", "our" and the "Company" refers to Quebec Silica Resources Corp., a corporation existing pursuant to the *Business Corporations Act* (British Columbia).

The Company's head office is located at 1100 - 1111 Melville St., Vancouver, B.C. V6E 3V6.

## TABLE OF CONTENTS

GLOSSARY .....	4
GLOSSARY OF TECHNICAL TERMS .....	8
CURRENCY.....	9
FORWARD-LOOKING INFORMATION .....	9
PROSPECTUS SUMMARY .....	11
CORPORATE STRUCTURE .....	14
DESCRIPTION OF THE BUSINESS .....	14
HISTORY .....	15
PROPERTY DESCRIPTION AND LOCATION .....	16
USE OF AVAILABLE FUNDS .....	51
DIVIDENDS OR DISTRIBUTIONS .....	53
SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS.....	53
DESCRIPTION OF SECURITIES.....	58
CONSOLIDATED CAPITALIZATION.....	59
OPTIONS TO PURCHASE SECURITIES .....	60
PRIOR SALES .....	61
ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER.....	61
PRINCIPAL SECURITYHOLDERS.....	63
DIRECTORS AND EXECUTIVE OFFICERS.....	63
EXECUTIVE COMPENSATION.....	66
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS.....	69
AUDIT COMMITTEE AND CORPORATE GOVERNANCE .....	69
CORPORATE GOVERNANCE .....	71
PLAN OF DISTRIBUTION .....	72
RISK FACTORS .....	72
PROMOTER.....	78
LEGAL PROCEEDINGS .....	79
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS .....	79
AUDITORS .....	80
REGISTRAR AND TRANSFER AGENT.....	80
MATERIAL CONTRACTS .....	80
EXPERTS .....	80
OTHER MATERIAL FACTS .....	80
RIGHTS OF WITHDRAWAL AND RESCISSION.....	80
FINANCIAL STATEMENTS .....	81
SCHEDULE "A" QUEBEC SILICA RESOURCES CORP. FINANCIAL STATEMENTS .....	A-1
SCHEDULE "B" AUDIT COMMITTEE CHARTER .....	B-1
CERTIFICATE OF QUEBEC SILICA RESOURCES CORP.....	C-1
CERTIFICATE OF THE PROMOTER .....	C-1

## 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.

**"2018 Compensation Warrants"** means the 213,500 common share purchase warrants of the Company issued to Vested Technology Corp. as compensation in connection with the 2018 SW Private Placement. Each 2018 Compensation Warrant entitles the holder thereof to acquire one Common Share, at an exercise price of \$0.10 for a period of two years from the date the Company makes application to list the common shares of the Company on a stock exchange;

**"2018 Private Placement"** means the non-brokered private placement of the Company of 1,250,000 Common Shares at a price of \$0.02 per Common Share for aggregate gross proceeds of \$25,000, which closed on June 15, 2018;

**"2018 Special Warrants"** means the special warrants issued by the Company, pursuant to the 2018 SW Private Placement and entitling the holder thereof to receive, for no additional consideration, one Common Share pursuant to the terms and conditions in the 2018 Special Warrant Certificates;

**"2018 Special Warrant Certificate"** means a certificate representing 2018 Special Warrants;

**"2018 SW Private Placement"** means the non-brokered private placement of the Company of 685,000 Special Warrants at a price of \$0.10 per 2018 Special Warrant for gross proceeds to the Company of \$68,500, which closed on June 12, 2018, and which will result in the deemed conversion of the 685,000 Special Warrants for 685,000 Common Shares;

**"2020 Private Placement"** means the non-brokered private placement by the Company of: (i) 3,400,000 FT Shares at a price of \$0.025 per FT Share, for aggregate gross proceeds of \$85,000; and (ii) 1,100,000 NFT Shares at a price of \$0.025 per NFT, for aggregate gross proceeds of \$27,500, which closed on August 28, 2020.

**"2020 Special Warrants"** means the special warrants issued by the Company, pursuant to the 2020 SW Private Placement and entitling the holder thereof to receive, for no additional consideration, one Common Share and one-half of one Warrant pursuant to the terms and conditions in the 2020 Special Warrant Certificates;

**"2020 Special Warrant Certificate"** means a certificate representing 2020 Special Warrants;

**"2020 SW Finder's Shares"** means the 899,000 Common Shares issued to registered dealers in connection with the closing of the 2020 SW Private Placement;

**"2020 SW Finder's Warrants"** means the 899,000 common share purchase warrants of the Company issued to registered dealers in connection with the closing of the 2020 SW Private Placement. Each Finder's Warrant entitles the holder thereof to acquire one Common Share, at an exercise price of \$0.05, for a period of 24 months from issuance;

**"2020 SW Private Placement"** means the non-brokered private placement of the Company of 19,800,000 Special Warrants (12,700,000 Special Warrants issued in Tranche 1 which closed on September 23, 2020, 6,500,000 Special Warrants issued in Tranche 2 which closed on October 19, 2020, and 600,000 Special Warrants issued in Tranche 3 which closed on November 3, 2020) for gross proceeds to the Company of \$990,000, and which will, on four months from the date of issuance convert into 19,800,000 Common Shares and 9,900,000 Warrants;

"**Author**" means Luc Harnois, PhD, P.Geo. and Elisabeth Ronacher, PhD, P.Geo, from Ronacher McKenzie Geoscience Inc., the authors of the Technical Report;

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended, together with all regulations promulgated thereto;

"**Board**" means the board of directors of the Company;

"**CEO**" means chief executive officer;

"**CFO**" means chief financial officer;

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

"**Company**" means Quebec Silica Resources Corp.;

"**Escrow Agreements**" means the NP 46-201 escrow agreement to be entered into on or before the Prospectus Receipt Date among the Company, the escrow agent and certain shareholders of the Company;

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

"**Exploration Program**" means the exploration program for the Property proposed by the Author in the Technical Report. See "Property Description and Location – Recommendations";

"**FT Shares**" means the 3,400,000 Common Shares issued on a "flow-through" basis, at a price of \$0.025 per FT Share, as part of the 2020 Private Placement;

"**Listing**" means the proposed listing of the Common Shares on the CSE for trading;

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

"**MD&A**" means management's discussion and analysis of financial condition and operating results;

"**Named Executive Officers**" or "**NEOs**" has the meaning set forth under "Executive Compensation";

"**NFT Shares**" means the 1,100,000 Common Shares issued on a "non flow-through" basis, at a price of \$0.025 per NFT Share, as part of the 2020 Private Placement;

"**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;

"**Options**" means options to purchase Common Shares issued pursuant to the Option Plan;

"**Option Plan**" means the Company's stock option plan adopted on December 29, 2020 by the Board, and providing for the granting of incentive options to the Company's directors, officers, employees and consultants in accordance with the rules and policies of the Exchange;

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

- (a) a person or company who acted as a promoter of the Company within two years before the prospectus;
- (b) a director or senior officer of the Company or any of its material operating subsidiaries at the time of the prospectus;
- (c) a person or company that holds securities carrying more than 20% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's Listing Date; or
- (d) a person or company that:
  - (i) holds securities carrying more than 10% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's Listing Date, and
  - (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company or any of its material operating subsidiaries;

"**Property**" means the Charlevoix property located in Baie-Saint-Paul, Quebec and 120 km north of Quebec City, consisting of 6 contiguous mineral claims covering 346.98 hectares, and all mining leases and other mining interests derived from any such claims, including any mineral leases or other interests into which such mineral claims may have been converted;

"**Prospectus**" means this prospectus dated March 31, 2021;

"**Prospectus Receipt Date**" means the date that a receipt for a final prospectus qualifying the distribution of the Qualified Securities is issued;

"**Purchaser**" means the Company;

"**Purchase Agreement**" means the arm's length purchase and sale agreement entered into on August 10, 2020 and amendment agreements dated November 26, 2020 and February 2, 2021, between the Company and the Seller;

"**Qualified Person**" or "**QP**" has the meaning given to it in NI 43-101;

"**Qualified Securities**" has the meaning as set forth on the face page of this Prospectus;

"**Quebec Silica**" means Quebec Silica Resources Corp.;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval ([www.sedar.com](http://www.sedar.com));

"**Seller**" means Macdonald Mines Exploration Ltd.;

"**Special Warrant Exercise Date**" means the date the 2018 Special Warrants are deemed to have been converted, which is the third business day after the Prospectus Receipt Date;

"**Technical Report**" means the report on the Property entitled "Independent Technical Report – Charlevoix Silica Property, Quebec" dated November 19, 2020, prepared for the Company by the Author, in accordance with NI 43-101;

"**Units**" means the 19,800,000 units, forming part of the 2020 SW Private Placement, with each Unit consisting of (i) one Common Share and (ii) one-half of one Warrant;

"**Warrants**" means the 9,900,000 warrants to purchase up to 9,900,000 Common Shares, at an exercise price of \$0.10, exercisable for a period of 24 months from the date of conversion of the 2020 Special Warrants; and

"**Warrant Shares**" means the 9,900,000 Common Shares issuable upon the exercise of the Warrants comprised in the Units issued upon the conversion of the 2020 Special Warrants.

## GLOSSARY OF TECHNICAL TERMS

"**Asl**" means above sea level.

"**CDC claim**" means "map designated claim" (claim désignée sur carte): cell claim

"**GESTIM**" means lands management website for claims in Quebec

"**SOQUEM**" means Société Québécoise d'exploration minière

"**VLF-EM**" means very low frequency electromagnetic data. Radio transmissions at frequencies of 3 to 30 kHz, used for communication with submerged submarines and for long-range positioning, are used to induce secondary responses in conductive geological units.

"**ZEC**" means Zone d'Exploitation Contrôlée; zones of public land in Quebec where fishing and hunting activities are managed to ensure wildlife conservation; access to mineral explorers is granted.

The metric system of measurement is used in the Technical Report. Historic data are typically reported in imperial units and were converted for the Technical Report using appropriate conversion factors. One foot is 0.3048 m. One inch is 2.54 cm.

Area is measured in hectares (ha); 1 ha is 0.01 km<sup>2</sup>.

Universal Transverse Mercator (UTM) coordinates are provided in the datum of NAD83, Zone 19N.



## CURRENCY

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

## FORWARD-LOOKING INFORMATION

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. The forward-looking information includes, among other things, statements relating to:

- the Company's intention to complete the listing of the Common Shares on the Exchange;
- the Company's business plans focusing on the exploration and development of the Property;
- the proposed work program on the Property;
- costs and timing of future exploration and development activities;
- timing and receipt of approvals, consents and permits under applicable legislation;
- use of available funds and ability for the Company to raise additional funds;
- business objectives and milestones; and
- adequacy of financial resources.

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 MD&A 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.

**All of the forward-looking information contained in this Prospectus is expressly qualified by the foregoing cautionary statements. Investors should read this entire Prospectus and consult their own professional advisors to ascertain and assess the income tax, legal, risk factors and other aspects of their investment.**

## 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. You should read this entire prospectus carefully, especially the "Risk Factors" section of this prospectus.*

<b>The Company:</b>	The Company was incorporated under the <i>Business Corporations Act</i> (British Columbia) on May 22, 2018 under the name Purecanna Products Inc. On August 27, 2020, the Company changed its name to Quebec Silica Resources Corp. See "Corporate Structure".
<b>Business of the Company:</b>	<p>The Company's principal business activities include the exploration of mineral resource properties with an emphasis on the Charlevoix Silica Property located in Clermont, Quebec. Its objective is to identify and develop economic mineral resource properties of merit and to conduct exploration programs thereon.</p> <p>The Company intends to fund the exploration of the Charlevoix Silica Property and its initial commitments thereon using the proceeds of its prior private placement financings. See "Description of the Business" and "Property Description and Location".</p>
<b>The Private Placements:</b>	<p>Pursuant to the 2018 SW Private Placement, the Company issued 685,000 Special Warrants for gross proceeds to the Company of \$68,500, which closed on June 12, 2018, and which will result in the deemed conversion of the 685,000 Special Warrants for 685,000 Common Shares; and</p> <p>Pursuant to the 2020 SW Private Placement, the Company issued 19,800,000 Special Warrants (12,700,000 Special Warrants issued in Tranche 1 which closed on September 23, 2020, 6,500,000 Special Warrants issued in Tranche 2 which closed on October 19, 2020, and 600,000 Special Warrants issued in Tranche 3 which closed on November 3, 2020) for gross proceeds to the Company of \$990,000.</p> <p>See "Description of Securities".</p>
<b>Issue Price:</b>	<p>\$0.10 per 2018 Special Warrant for the 685,000 2018 Special Warrants issued pursuant to the 2018 SW Private Placement; and</p> <p>\$0.05 per 2020 Special Warrant for the 19,800,000 2020 Special Warrants issued pursuant to the 2020 SW Private Placement.</p>
<b>Qualified Securities:</b>	<p>This Prospectus is being filed to qualify the distribution of:</p> <ul style="list-style-type: none"> <li>• 685,000 Common Shares issuable upon the deemed conversion of 685,000 issued and outstanding 2018 Special Warrants.</li> </ul>
<b>Listing:</b>	The Company intends to list its Common Shares on the CSE. Listing is subject to the Company fulfilling all of the requirements of the Exchange, including minimum public distribution requirements. See "Description of

	Securities."
<b>Available Funds and Principal Purposes:</b>	It is anticipated that the Company will have available funds of approximately \$817,000, based on the current assets and cash position as of February 28, 2021. Upon the Listing, the principal purposes for the foregoing available funds are anticipated to be as follows:

<b>Principal Purposes</b>	<b>Funds (\$)</b>
General and administrative costs <sup>(1)</sup>	150,000
Exploration program expenditures on the Property <sup>(2)</sup>	105,500
Phase 2 Drill Program on the Property	300,000
Estimated expense for listing on the CSE	90,000
<b>Unallocated funds</b>	171,500
<b>Total use of available funds</b>	817,000

**Notes:**

- (1) This figure is for a forecasted period of 12 months and is comprised of office and administrative expenses in the amount of: (i) \$24,000 of consulting fees to the CEO and CFO (\$12,000 each); (ii) \$66,000 of office and administrative costs, including office space use, office services and filing fees; and (iii) \$60,000 of professional fees, including accounting, audit and legal.
- (2) See "Property Description and Location – Recommendations"

The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. Use of funds will be subject to the discretion of management. For further details, see "Use of Available Funds – Available Funds and Principal Purposes".

The Company had negative cash flow from operating activities for the financial year ended September 30, 2020 and for the three months ended December 31, 2020. To the extent that the Company has negative cash flow from operating activities in future periods, the Company may need to use a portion of proceeds from any offering to fund such negative cash flow. See "Risk Factors – Negative Cash Flows From Operations".

<b>Management, Directors &amp; Officers:</b>	The Board of Directors of the Company consists of Raymond Wladichuk, Ming Jang and Aeron Kawakami. The officers of the Company are Raymond Wladichuk (CEO), and Elyssia Patterson (CFO). See "Directors and Executive Officers".
<b>Selected Consolidated Financial Information:</b>	The following selected financial information has been derived from and is qualified in its entirety by the financial statements of the Company for the annual financial statements of the Company for the years ended September 30, 2019 and 2020 (audited) and notes thereto, and the three months ended December 31, 2020 included in this Prospectus, and should be read in conjunction with such financial statements and the related notes

	<p>thereto included in Schedule A of this Prospectus. All financial statements of the Company are prepared in accordance with International Financial Reporting Standards.</p> <p>All amounts referred to as being derived from the financial statements of the Company are denoted in Canadian Dollars.</p>
--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<b>As at and for the three month period ended December 31, 2020 (unaudited) (\$)</b>	<b>As at and for the year ended September 30, 2020 (audited) (\$)</b>	<b>As at and for the period from incorporation to September 30, 2019 (audited) (\$)</b>
Total Assets	\$870,329	\$738,398	\$42,958
Total Liabilities	\$23,815	\$221,743	\$20,331
Total Equity	<b>\$846,514</b>	<b>\$516,655</b>	<b>\$22,627</b>
Revenue	-	-	-
Net Loss and Comprehensive Loss for the Period	\$24,200	\$131,564	\$70,416

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

<b>Risk Factors:</b>	<p>Due to the nature of the Company's business and the present stage of development of its business, the Company is subject to significant risks. Readers should carefully consider all such risks. Risk factors include, but are not limited to, limited operating history, speculative nature of mineral exploration, dilution, mineral titles, loss of interest in properties, permits and government regulations, environmental and safety regulations and risks, fluctuating mineral prices, financing risks and competition. For a detailed description of these and other risks, please see "Risk Factors".</p>
----------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

## CORPORATE STRUCTURE

### Name and Incorporation

The Company was incorporated under the *Business Corporations Act* (British Columbia) on May 22, 2018 under the name Purecanna Products Inc. On August 27, 2020, the Company changed its name to Quebec Silica Resources Corp.

The Company's corporate office is located at 1100 - 1111 Melville Street, Vancouver, BC V6E 3V6.

### Inter-corporate Relationships

The Company does not have any subsidiaries.

## DESCRIPTION OF THE BUSINESS

The Company's principal business activities include the acquisition and exploration of mineral resource properties with an emphasis on the Charlevoix Silica Property located in Clermont, Quebec. Its objective is to identify and develop economic mineral resource properties of merit and to conduct exploration programs thereon. The Company will continue to consider other opportunities to acquire and explore mineral properties as they arise.

On August 10, 2020, the Company entered into an arm's length purchase and sale agreement as amended on November 26, 2020 and February 2, 2021 (collectively, the "**Purchase and Sale Agreement**"), with the Macdonald Mines Exploration Ltd. (the "**Vendor**") pursuant to which the Company acquired a 100% interest in and to the Property, which is located in the Province of Quebec and consists of 6 mining claims, in consideration for the issuance of 1,000,000 Common Shares (the "**Consideration Shares**") to the Vendor. As of the date of this Prospectus, the Company has issued the Consideration Shares to the Vendor pursuant to the Purchase and Sale Agreement.

The Purchase Agreement also contains an area-of-mutual influence ("**AMI**") provision applicable to the one kilometer-wide area surrounding the Property boundary and pursuant to which, if the Vendor, (the "**Acquiring Party**"), acquires any mineral or property interests within the AMI, or if the Acquiring Party enters into any type of agreement by which such an interest may be earned or otherwise acquired therein, then the Acquiring Party must promptly notify the Company in writing of such acquisition or such agreement. The Company will have thirty (30) calendar days from the date of receipt of the written notice to inform the Acquiring Party of its decision to participate or decline participation in the new lands or interests.

There are no other royalties, back-in rights, payments, or other agreements to which the Property is subject.

See "Property Description and Location".

### Stated Business Objectives and Competitive Conditions

The Property is in the exploration stage. The Company intends to use its available funds to carry out the Exploration Program for the Property, which is budgeted for \$105,500. In addition, the Company intends to allocate an additional \$300,000 of available funds for a Phase 2 Drill Program for the Property. See "Property Description and Location – Recommendations" and "Use of Available Funds".

The Company competes with other entities in the search for and acquisition of mineral properties. As a result of this competition, the majority of which is with companies with greater financial resources, the Company may be

unable to acquire attractive properties in the future on terms it considers acceptable. The Company also competes for financing with other resource companies, many of whom have more advanced properties. There is no assurance that additional capital or other types of financing will be available to the Company if needed or that, if available, the terms of such financing will be favourable to the Company. See "Risk Factors".

## HISTORY

### Financings

On June 12, 2018, the Company completed a private placement (the "**Founder Round**") issuing 2,100,000 Common Shares at a price of \$0.005 per Common Share for aggregate gross proceeds of \$10,500.

On June 15, 2018, the Company completed a private placement (the "**2018 Private Placement**") issuing 1,250,000 Common Shares at a price of \$0.02 per Common Share for aggregate gross proceeds of \$25,000.

On August 28, 2018, the Company completed a private placement (the "**2018 SW Private Placement**") issuing 685,000 2018 Special Warrants, at a price of \$0.10 per 2018 Special Warrant, with each 2018 Special Warrant automatically converting into one Common Share of the Company at no additional cost on the Special Warrants Exercise Date. Aggregate gross proceeds from the 2018 SW Private Placement were equal to \$68,500. In addition, the Company issued 213,500 2018 Compensation Warrants to Vested Technology Corp., a start-up equity crowdfunding portal, as compensation and incurred cash fees and expenses of \$5,572.

On August 28, 2020, the Company completed a private placement (the "**2020 Private Placement**") of:

- a) 3,400,000 Common Shares on a "flow-through" basis (each a "**FT Share**") at a price of \$0.025 per FT Share, for aggregate gross proceeds of \$85,000; and
- b) 1,100,000 Common Shares on a "non flow-through" basis (each a "**NFT Share**") at a price of \$0.025 per NFT Share, for aggregate gross proceeds of \$27,500.

Between September 23, 2020 and November 3, 2020, the Company completed a private placement, in three tranches, (the "**2020 SW Private Placement**") of:

- a) September 21, 2020 ("**Tranche 1**") – 12,700,000 2020 Special Warrants, at a price of \$0.05 per Special Warrant for gross proceeds of \$635,000. Each 2020 Special Warrant automatically converting into one unit (each a "**Unit**"). Each Unit is convertible into one Common Share of the Company at no additional cost on the Special Warrants Exercise Date and one-half of one transferable share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant entitle the holder thereof to acquire one additional Common Share (the "**Warrant Share**") in the capital of the Company at a price of \$0.10 per Warrant Share, for a period of 24 months from the date of conversion of the 2020 Special Warrants.

On Tranche 1 the Company paid a cash finder's fee of \$61,900, issued 619,000 2020 SW Finder's Shares and issued 619,000 2020 SW Finder's Warrants, exercisable into one Common Share (the "**Finder Warrant Share**") at a price of \$0.05 per Finder Warrant Share, for a period of 24 months from the date of issuance.

- b) October 19, 2020 ("**Tranche 2**") – 6,500,000 2020 Special Warrants, at a price of \$0.05 per 2020 Special Warrant for gross proceeds of \$325,000. On Tranche 2 the Company paid a cash finder's fee of \$28,000, paid

a cash corporate finance fee of \$10,000, issued 280,000 2020 SW Finder's Shares and issued 280,000 2020 SW Finder's Warrants, exercisable into one Finder Warrant Share ") at a price of \$0.05 per Finder Share, for a period of 24 months from the date of issuance.

b) November 3, 2020 ("**Tranche 3**") – 600,000 2020 Special Warrants, at a price of \$0.05 per Special Warrant for gross proceeds of \$30,000.

The Company paid no finder's fees on the Third Tranche.

All of the securities issued in connection with the Founder Round, 2018 Private Placement, 2018 SW Private Placement, 2020 Private Placement and 2020 SW Private Placement, are subject to a statutory hold period.

## **PROPERTY DESCRIPTION AND LOCATION**

### **The Property**

The information in this Prospectus with respect to the Property is derived from a NI 43-101 compliant report entitled "*Independent Technical Report – Charlevoix Silica Property, Quebec*" prepared by Luc Harnois, PhD, P.Geol. and Elisabeth Ronacher, PhD, P.Geol., from Ronacher McKenzie Geoscience Inc. dated November 19, 2020. Luc Harnois and Elisabeth Ronacher are independent and are each a "Qualified Person" for the purposes of National Instrument 43-101. The full text of the Technical Report is available for review at the registered office of the Company at 1111 Melville St., Vancouver BC V6E 3V6 and may also be accessed online, under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

The Charlevoix property is located in the Lac-Pikauba municipality, approximately 40 km north of Baie-Saint-Paul, Quebec and 120 km north of Quebec City (Figure 4-1, Figure 5-1). It consists of six contiguous mineral claims covering 346.98 hectares (ha) (Table 4-1, Figure 4-2).

The surface rights are held by the Crown.

Legal access to the property from Baie-Saint-Paul is on road #381 and on gravel roads maintained as part of the Quebec Zones d'Exploitation Contrôlée ("ZEC") Des Martres. Mining claim holders have free access to the roads.



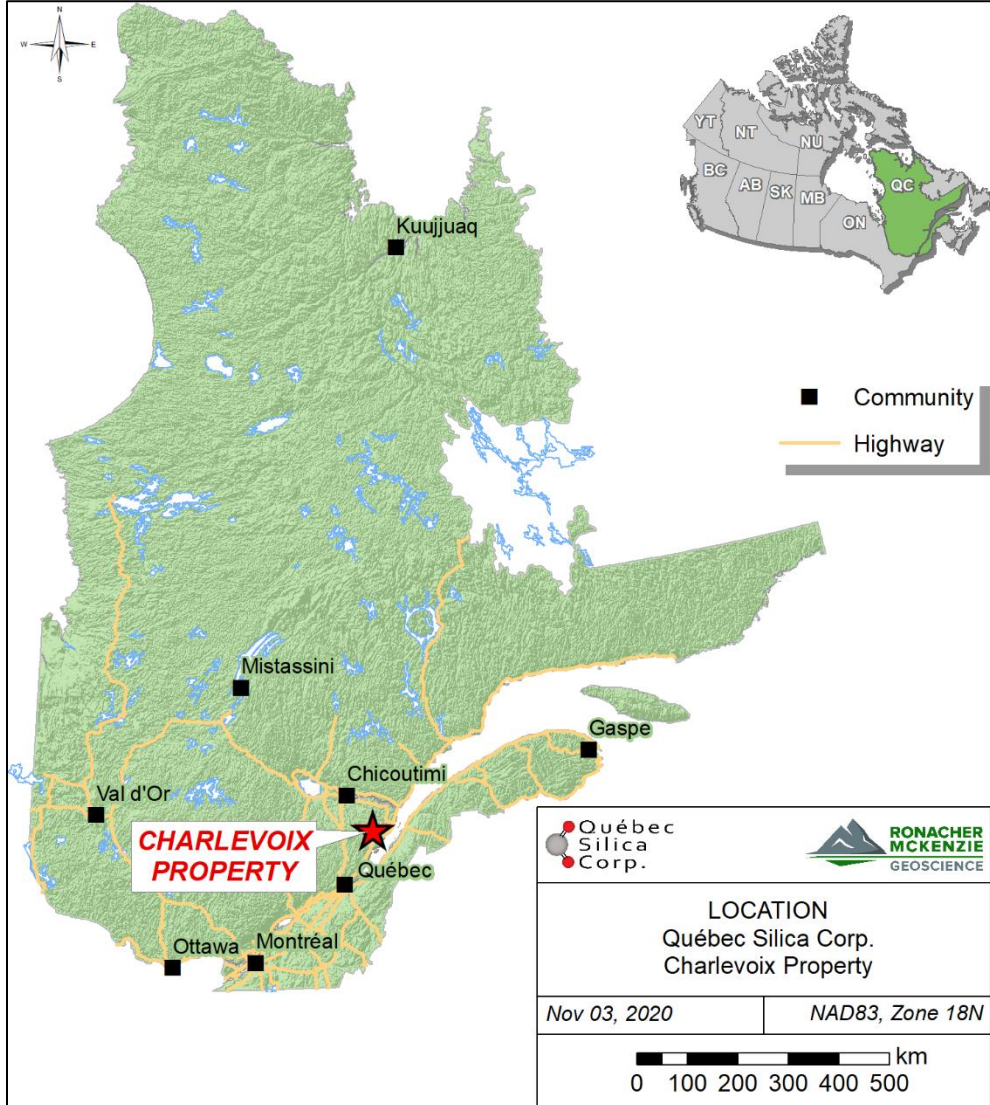


Figure 4-1: Location of the Charlevoix property.

In order to keep the claims in good standing, Quebec Silica must complete exploration worth \$1,800 for a two year term per claim.

The Qualified Persons are not aware of any royalties, back-in rights, payments, or other agreements and encumbrances to which the property is subject other than the ones listed above.

The property falls in a “habitat faunique” with a wildlife habitat restriction (#16862) related to caribou; exploration is allowed under certain conditions. The QPs are not aware of any other environmental liabilities.

In Quebec, permits must be obtained for line cutting if the lines are wider than 1 m, for trenching and for drilling. Quebec Silica does not hold exploration permits at this time.

The QPs are not aware of any other significant factors and risks that may affect access, title, or the right or ability to perform work on the property.

Table 4-1: List of claims that the property consists of.

<b>Claim Number</b>	<b>Claim Type</b>	<b>Expiry Date</b>	<b>Area (Ha)</b>	<b>Titleholder</b>
2404899	CDC	29/05/2023	57.83	Macdonald Mines Exploration Ltd
2404900	CDC	29/05/2023	57.83	Macdonald Mines Exploration Ltd
2404901	CDC	29/05/2023	57.83	Macdonald Mines Exploration Ltd
2404902	CDC	29/05/2023	57.83	Macdonald Mines Exploration Ltd
2404903	CDC	29/05/2023	57.83	Macdonald Mines Exploration Ltd
2404904	CDC	29/05/2023	57.83	Macdonald Mines Exploration Ltd
<b>TOTAL</b>			<b>346.98</b>	

### **Ownership**

On August 10, 2020, Purecanna Products Inc. ("Purecanna") purchased the mineral rights of the six claims that constitute the Charlevoix property from MacDonald Mines Exploration Ltd. ("MacDonald Mines") by way of an issuance of 1,000,000 common shares. On August 27, 2020, Purecanna changed its name to Quebec Silica Resources Corp.

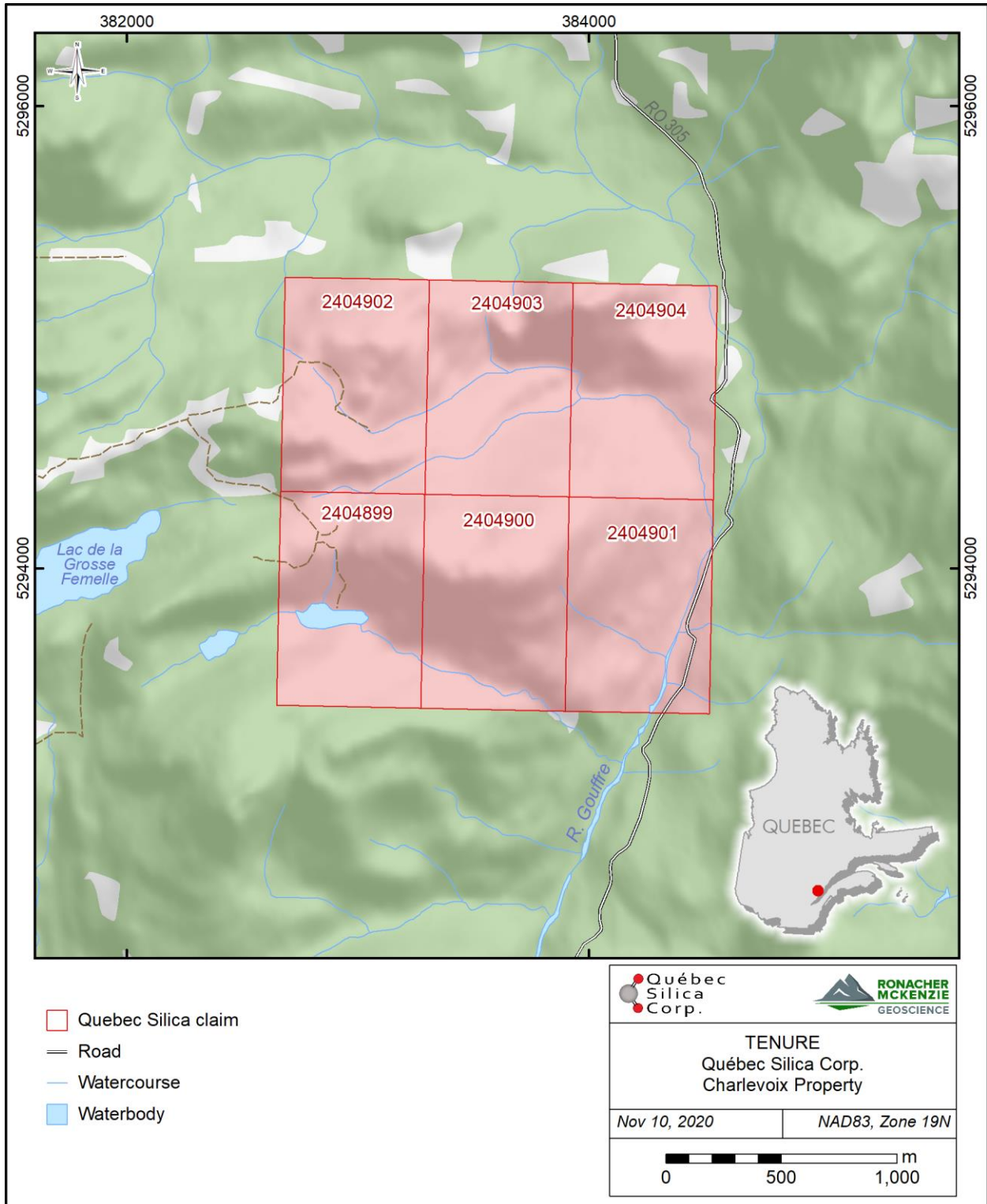


Figure 4-2: Mineral claims of the Charlevoix property.

## ***Accessibility, Climate, Local Resources, Infrastructure, and Physiography***

### **Access**

The property is located 40 km north of the town of Baie-Saint-Paul, QC. Access to the property is on road #381 and a gravel road managed by ZEC (~54 km). The gravel roads are in fair to good condition and the property can be accessed easily by an all-wheel drive SUV or pick-up truck.

### **Climate**

The climate in the area of the property is characterized by cold winters with January being the coldest month and July being the warmest (<https://climate.weather.gc.ca/>); the maximum temperature in January is between -5°C and -10°C and the minimum temperature is between -15°C and -20°C. The warmest month is July with maximum temperatures of approximately 25°C. The highest rainfall occurs between May and July (approximately 50-150 mm); December is the month with the highest snowfall (80-120 mm).

Exploration on the property is possible year-round.

### **Physiography and Vegetation**

The property is located within the rugged Laurentian Mountains of the Canadian Shield; elevations range from 500 m to 950 m above sea level. The property is densely vegetated with jack pine, lodgepole pine, black spruce, white spruce, balsam fir, aspen, white birch, elm and balsam poplar being the main species (Broadbent et al., 2020). The number of outcrops is limited.

### **Infrastructure and Local Resources**

The closest town is Baie-Saint-Paul with a population of about 7,146<sup>1</sup>. Baie-Saint-Paul is approximately 40 km south of the property and has motels, shops, banks, gas stations and a hospital. Skilled and unskilled labour is readily available in the area.

Water is available from one lake (Lac de l'Engoulevent; claim 2404899) and a few local streams.

Power is available in the region with one power line located approximately 6.5 km west of the property and another powerline running north-south approximately 3.5 km east of the property.

The surface rights are owned by the Crown and are sufficient for any potential future mining activity.

The availability of potential tailings storage areas, potential waste disposal areas, heap leach pad areas and potential processing plants sites is not relevant for the project at this stage.

---

<sup>1</sup> <https://www12.statcan.gc.ca/>

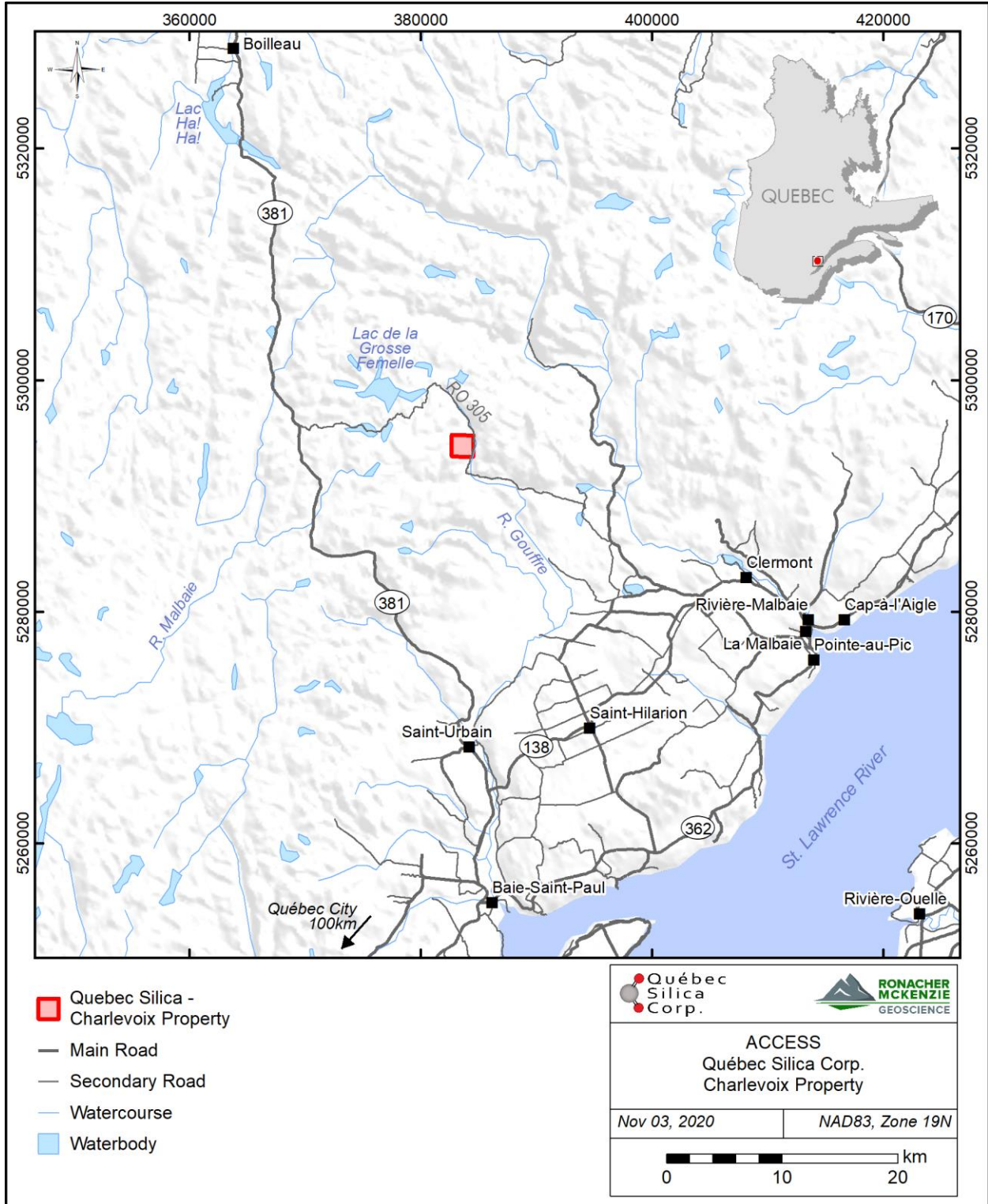


Figure 5-1: Access to the Charlevoix property.

**History**

The geology of the Lac des Martres area was mapped and described by Rondot (1971; RP601 and map 1729). This map at the scale 1:63 360 included the Property and quartzite was mapped. Since then, the Quebec Ministry of Energy and Natural Resources has completed regional mapping in the area, including the property, at the scale 1:20 000 (Rondot, 1989). SOQUEM geologists also mapped the quartzite and adjacent rocks in the area, including the property, at the scale 1:5 000 (Gilbert 1981)<sup>2</sup>. However, very little exploration has been completed on the property itself.

In 2014, Rogue Resources Inc. (“Rogue”) completed an airborne magnetic survey on their property, which is immediately adjacent to the Charlevoix property, and included in the area of the Charlevoix property in the survey. Rogue delineated northeast-southwest trending magnetic highs at the flanks of a magnetic low (Paul 2014)<sup>3</sup>.

In 2015, Rogue completed an airborne EM-VLF survey in the same area. The Quebec Silica claims are noted to have a low in the VLF total-field response and a high in the VLF quadrature response. The first vertical derivative of the magnetic field indicates a general ENE trend to the local magnetic fabric. The northern portion of the claims are magnetically quiet (Letourneau and Paul 2015)<sup>4</sup>.

In 2018, MacDonald Mines Exploration Ltd. (“MacDonald Mines”) completed a grab sampling program on claim 2404904 (St.-Pierre and Wray 2017)<sup>5</sup>. MacDonald Mines collected six quartzite samples for geochemical analysis. All samples contained >98.42% silica.

*Table : List of historic exploration activities on the property.*

<b>Year</b>	<b>Company</b>	<b>Type of Exploration</b>	<b>Results</b>	<b>Reference</b>
2018	MacDonald Mines	sampling: 6 samples collected on claim 2404904	all samples contain >98.43% SiO <sub>2</sub>	GM70552
2015	Rogue Resources	airborne VLF-EM	Delineated high VLF quadrature response clear NE-SW trending of linear magnetic high	GM69339
2014	Rogue Resources	airborne magnetic survey	delineated; centre of the property magnetic low	GM69341

No historical mineral resource or mineral reserve estimates exist on the property. No historic mining production was completed on the property.

<sup>2</sup> Gilbert, J. 1981. *Rapport des Travaux de Terrain 1980-81, Project 10-743 - Silice*. GM37749, 286 p., Quebec Ministry of Energy and Natural Resources.

<sup>3</sup> Paul, Rejean. 2014. *Helicopter-borne magnetic geophysical survey, Baie-Saint-Paul, Quebec*. Assessment Report GM69341, Quebec Ministry of Energy and Natural Resources, 27 p., Rogue Resources Inc.

<sup>4</sup> Letourneau, O., and R. Paul. 2015. *Helicopter-borne EMVLF geophysical survey, Baie-Saint-Paul, Quebec, Data Acquisition Report, Lac de la Grosse Femelle project*. Assessment Report GM69339, Quebec Ministry of Energy and Natural Resources, 24 p., Rogue Resources Inc.

<sup>5</sup> St.-Pierre, Martin, and N. Wray. 2017. *Exploration Report (Winter 2017 sampling program) on the Charlevoix Property*. Assessment Report GM70552, Quebec Ministry of Energy and Natural Resources, 28 p., MacDonald Mines Exploration Ltd.

## *Geological Setting and Mineralization*

### **Regional Geology**

The property is located with the Grenville Province of the Canadian Shield. The Grenville Province is a ~1.1 Ga orogenic belt that forms the southeast margin of Laurentia (Easton 1992)<sup>6</sup>. It consists of southeast-dipping allochthonous terranes and is divided into the Grenville Front Tectonic Zone, the Central Gneiss Belt and the Central Metasedimentary Belt. The Grenville Front separates the Grenville Province from the Superior Province (Sigeom 2020)<sup>7</sup>.

---

<sup>6</sup> Easton, R.M. 1992. "The Grenville Province and the Proterozoic History of Central and Southern Ontario." In *Geology of Ontario*, by P.C. Thurston, H. R. Williams, R. H. Sutcliffe and G. M. Stott, pp. 715-906. Ontario Geological Survey, Special Volume 4, Part 2.

<sup>7</sup> Sigeom, Quebec Ministry of Energy and Natural Resources. 2020. *Grenville Province*. September. Accessed September 09, 2020. [http://gq.mines.gouv.qc.ca/lexique-stratigraphique/province-de-grenville\\_en/](http://gq.mines.gouv.qc.ca/lexique-stratigraphique/province-de-grenville_en/).

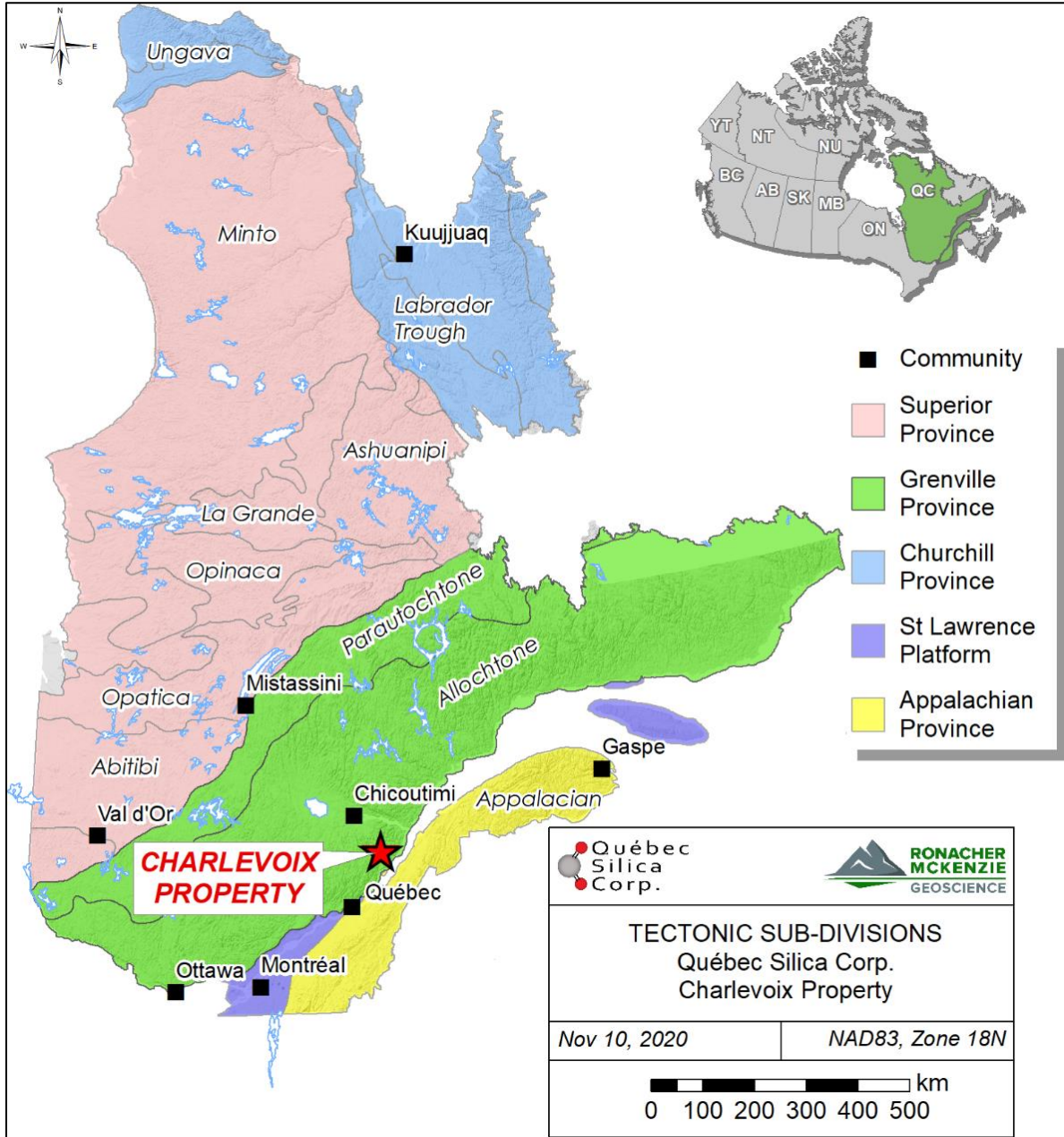


Figure 7-1: Map showing the location of the property in the Grenville Province.

Most parts of the Grenville Province were affected by the Grenville Orogeny (~1100-1170 Ma). Mafic dikes and alkalic and carbonatitic magmas were emplaced into rocks of the Grenville Province prior to weathering, erosion and subsequent deposition of Paleozoic sedimentary rocks (Easton 1992)<sup>8</sup>.

<sup>8</sup> Ibid



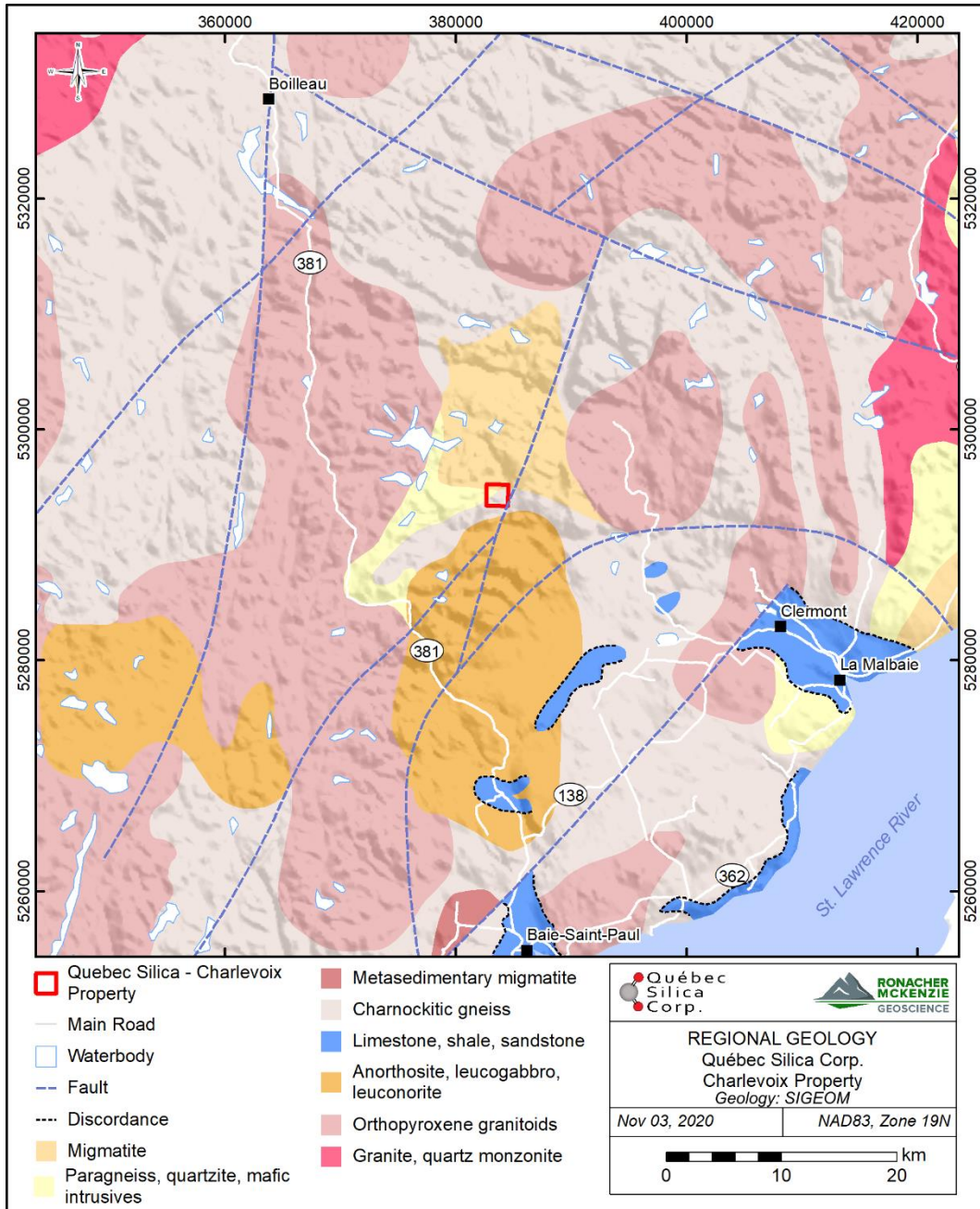


Figure 7-2: Regional geology showing the Charlevoix property.

## Local Geology

The Charlevoix area consists of Proterozoic metasedimentary and metavolcanic rocks (J. Rondot 1979)<sup>9</sup> including paragneiss with quartzite and migmatite (Rondot 1971)<sup>10</sup> (Figure 7-3. The migmatites grade into charnockites. Ultramafic rocks occur locally.

Quartzites and impure quartzites form bands across the region of between 100 m and 260 m width.

North-northeast trending faults and older east-southeast trending faults characterize the region (Rondot 1971). The latter faults are cut off the NNE-trending faults. The NNE-trending faults typically dip very steeply to the west-northwest.

## Property Geology and Mineralization

The geology of the area is characterized by pink, garnet-rich granitic migmatites in which domains of paragneiss with quartzite are preserved (Rondot, 1971). The rocks on the property belong to the Formation de la Galette; the rocks form an isoclinal fold on the property. The core of the fold consist of paragneiss and garnet gneiss of the upper Formation de la Galette (membre supérieur/upper member), followed by the Quartzite du Petit lac Malbaie (middle Formation de la Galette). The outer part of the fold limbs consists of paragneiss with sillimanite, garnet and locally cordierite and spinel (lower Formation de la Galette).

The northern part of the property is characterized by pink, garnet-phyric migmatite of the lower Formation de la Galette and the southern part by the Charlevoix charnockite complex. Minor amphibolite also occurs on the property.

Rondot (1979) described the quartzite of the Formation de la Galette to be very homogenous and very pure. Quebec Silica has completed insufficient work to determine the geological controls on the quartzite and the length, width, depth and continuity of the quartzite, which remain unknown at this stage.

## Structure

The area is characterized by tight folds with the fold axes trending northeast and east-west (Rondot, 1971; Rondot, 1989).

Regional faults trend north-northeast and steeply dipping west-northwest (Rondot, 1971). Rondot (1971) observed a horizontal offset of 150 m to 200 m for the west-northwest trending faults. A vertical offset could not be determined. Older faults trend southeast and are cut off by the north-northeast trending faults.

---

<sup>9</sup> Rondot, Jehan. 1979. *Reconnaitssances Geologiques dans Charlevoix-Saguenay*. Quebec Ministry of Energy and Natural Resources, DPV 682, 52 p.

<sup>10</sup> Rondot, J. 1971. *Geologie de la Region du Lac des Martres*. Quebec Ministry of Energy and Natural Resources, RP 601, 19 p. (incl. map 1729).

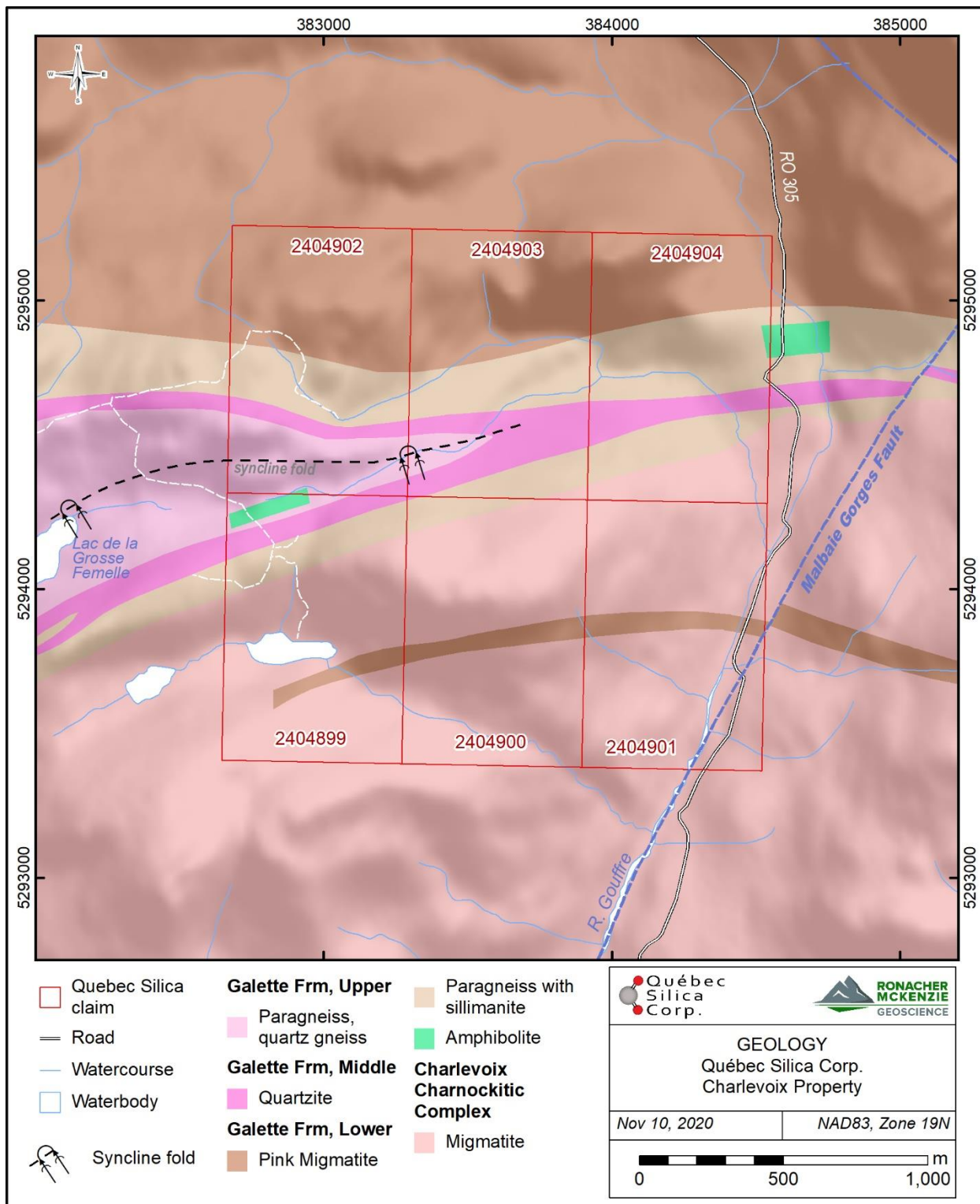


Figure 7-3:- Property geology map.

## Deposit Types

Silica is mined from various types of silica-bearing materials, including quartzite (massive quartz), sand, gravel and chert (Murphy 1960)<sup>11</sup>. The type of silica at the Charlevoix property is quartzite. The quartzite formed during high-grade metamorphism when silica was segregated and formed bands within the paragneiss and migmatite.

Quartzite at Charlevoix is a part of the rock sequence and can be explored by following existing silica bands and by searching for additional bands. The exploration program was designed to test the extent and purity of the known quartzite.

Silica occurs in various degrees of purity. Murphy (1960)<sup>12</sup> considers material with a silica content of 95% as pure. However, certain uses of silica required a higher purity with minimal amounts of aluminum, iron oxide, titanium and sulfur (Murphy 1960)<sup>13</sup>.

## Exploration

Quebec Silica retained Waldo Sciences Inc. ("Waldo Sciences") to complete an exploration program on the property from September 2 to 14, 2020. Exploration consisted of:

- Collecting grab samples
- Collecting hammer drill samples
- Geological and terrain mapping
- VLF-EM survey

## Sampling

Waldo Sciences collected a total of 82 rock samples and seven powder samples to assess the quartzite on the property (Table 9-1). Sample locations are shown on Figure 9-1. The rock samples were collected using hammer and chisel and bagged into a plastic bag with a pre-numbered sample tag. The powder samples were collected using a Dewalt 20V Max hammer drill with dust collector and 3/4"-diameter, 12" carbide tip (Figure 9-2). Powder was collected to obtain a representative sample of a bigger volume of rock. The vacuum system and the filter were cleaned thoroughly after taking each sample to prevent cross-contamination. The drilled hole was filled with a wooden dowel to mark the sample location. The extent of the area that was sampled is shown on Figure 9-1.

All samples were of good quality; they are representative of the immediate area from where the samples were collected. The QPs did not observe any sampling biases.

Table 9-1: List of samples collected on the property in 2020

Sample ID	Sample Type	Rock Type	Easting	Northing	SiO <sub>2</sub> (%)
B498001	Rock Sample 1	Quartzite	384528	5294700	98.21

<sup>11</sup> Murphy, T.D. 1960. *Distribution of Silica Resources in Eastern United States*. Bulletin 1072-L, 18 p., United States Geological Survey.

<sup>12</sup> Ibid

<sup>13</sup> Ibid

<b>Sample ID</b>	<b>Sample Type</b>	<b>Rock Type</b>	<b>Easting</b>	<b>Northing</b>	<b>SiO<sub>2</sub> (%)</b>
B498002	Rock Sample 2	Quartzite	384528	5294701	98.47
B498003	Rock Sample 3	Quartzite	384528	5294702	98.71
B498004	Rock Sample 4	Quartzite	384528	5294703	98.90
B498005	Rock Sample 5	Quartzite	384528	5294704	98.47
B498006	Rock Sample 6	Quartzite	384528	5294705	98.73
B498007	Rock Sample 7	Quartzite	384488	5294702	98.42
B498008	Rock Sample 8	Quartzite	384469	5294700	98.17
B498009	Rock Sample 9	Quartzite	384312	5294685	97.87
B498010	Rock Sample 10	Quartzite	384289	5294699	97.15
B498011	Powdered Sample 1	Quartzite	384525	5294699	98.15
B498012	Powdered Sample 2	Quartzite	384531	5294697	98.01
B498013	Powdered Sample 3	Quartzite	384533	5294696	98.30
B498014	Powdered Sample 4	Quartzite	384529	5294701	97.55
B498015	Powdered Sample 5	Quartzite	384527	5294702	97.72
B498016	Rock Sample 11	Quartzite	384516	5294690	96.28
B498017	Rock Sample 12	Quartzite	384516	5294693	98.81
B498018	Powdered Sample 6	Quartzite	384515	5294701	98.11
B498019	Powdered Sample 7	Quartzite	384505	5294694	96.82
B498020	Rock Sample 13	Quartzite	384501	5294691	97.86
B498021	Rock Sample 14	Quartzite	384501	5294696	98.45
B498022	Rock Sample 15	Quartzite	384501	5294700	98.57
B498023	Rock Sample 16	Quartzite	384477	5294696	98.07
B498024	Rock Sample 17	Quartzite	384473	5294692	97.93
B498025	Rock Sample 18	Quartzite	384475	5294694	98.09
B498026	Rock Sample 19	Quartzite	382732	5294603	97.68
B498027	Rock Sample 20	Quartzite	383675	5294597	98.57
B498028	Rock Sample 21	Quartzite	383675	5294594	98.00
B498029	Rock Sample 22	Quartzite	383674	5294590	97.39
B498030	Rock Sample 23	Quartzite	384675	5294589	97.30
B498031	Rock Sample 24	Quartzite	383682	5294600	98.31
B498032	Rock Sample 25	Quartzite	383686	5294602	98.83
B498033	Rock Sample 26	Quartzite	383685	5294605	98.11
B498034	Rock Sample 27	Quartzite	383684	5294608	98.21
B498035	Rock Sample 28	Quartzite	383686	5294607	98.76
B498036	Rock Sample 29	Quartzite	383688	5294608	98.32
B498037	Rock Sample 30	Quartzite	383657	5294614	99.00
B498038	Rock Sample 31	Quartzite	383690	5294611	97.83
B498039	Rock Sample 32	Quartzite	383699	5294625	99.27
B498040	Rock Sample 33	Quartzite	383699	5294622	97.56
B498041	Rock Sample 34	Quartzite	383706	5294632	98.61
B498042	Rock Sample 35	Quartzite	383706	5294629	97.72
B498043	Rock Sample 36	Quartzite	384526	5294699	98.53
B498044	Rock Sample 37	Quartzite	384252	5294675	98.29
B498045	Rock Sample 38	Quartzite	384533	5294691	97.97

Sample ID	Sample Type	Rock Type	Easting	Northing	SiO <sub>2</sub> (%)
B498047	Rock Sample 39	Quartzite	384257	5294679	97.43
B498048	Rock Sample 40	Quartzite	384259	5294681	97.96
B498049	Rock Sample 41	Quartzite	384262	5294682	97.92
B498050	Rock Sample 42	Quartzite	384255	5294674	97.18
B498051	Rock Sample 43	Quartzite	384251	5294676	98.05
B498052	Rock Sample 44	Quartzite	384250	5294677	98.12
B498053	Rock Sample 45	Quartzite	384248	5294675	96.90
B498054	Rock Sample 46	Quartzite	384238	5294667	97.83
B498055	Rock Sample 47	Quartzite	384234	5294667	98.14
B498056	Rock Sample 48	Quartzite	384238	5294665	97.40
B498057	Rock Sample 49	Quartzite	384234	5294671	97.81
B498058	Rock Sample 50	Quartzite	384235	5294670	97.43
B498059	Rock Sample 51	Quartzite	384235	5294668	98.03
B498060	Rock Sample 52	Quartzite	384234	5294668	98.31
B498061	Rock Sample 53	Quartzite	384233	5294667	97.39
B498062	Rock Sample 54	Quartzite	384235	5294669	97.44
B498063	Rock Sample 55	Quartzite	384529	5294696	98.51
B498064	Rock Sample 56	Quartzite	384221	5294665	97.52
B498065	Rock Sample 57	Quartzite	384215	5294667	97.67
B498066	Rock Sample 58	Quartzite	384211	5294665	97.96
B498067	Rock Sample 59	Quartzite	384208	5294663	98.47
B498068	Rock Sample 60	Quartzite	384204	5294663	97.90
B498069	Rock Sample 61	Quartzite	384534	5294692	98.67
B498070	Rock Sample 62	Quartzite	384534	5294692	98.31
B498071	Rock Sample 63	Quartzite	384530	5294690	96.83
B498072	Rock Sample 64	Quartzite	384524	5294701	98.41
B498073	Rock Sample 65	Quartzite	384523	5294700	98.64
B498074	Rock Sample 66	Quartzite	384522	5294698	97.23
B498075	Rock Sample 67	Quartzite	384512	5294697	97.86
B498076	Rock Sample 68	Quartzite	384461	5294692	97.65
B498077	Rock Sample 69	Quartzite	384461	5294693	97.81
B498078	Rock Sample 70	Quartzite	384461	5294693	98.61
B498079	Rock Sample 71	Quartzite	384454	5294691	98.37
B498080	Rock Sample 72	Quartzite	384452	5294694	98.00
B498081	Rock Sample 73	Quartzite	384452	5294698	97.22
B498082	Rock Sample 74	Quartzite	384452	5294694	98.07
B498083	Rock Sample 75	Quartzite	384319	5294681	98.28
B498084	Rock Sample 76	Quartzite	384305	5294684	98.33
B498085	Rock Sample 77	Quartzite	384303	5294686	97.86
B498086	Rock Sample 78	Quartzite	384301	5294688	98.03
B498087	Rock Sample 79	Quartzite	384301	5294689	97.44
B498088	Rock Sample 80	Quartzite	384297	5294690	97.91
B498089	Rock Sample 81	Paragneiss	382805	5294903	78.67
B498090	Rock Sample 82	Paragneiss	382718	5294648	70.99

Sample ID	Sample Type	Rock Type	Easting	Northing	SiO <sub>2</sub> (%)
-----------	-------------	-----------	---------	----------	----------------------

Eighty-three of the 87 quartzite sample consisted of >97.00% SiO<sub>2</sub> (Table 9-1); the average SiO<sub>2</sub> concentration of all quartzite samples is 98.01%. The major element concentrations in the samples is shown in Table 9-2. The main impurities are Al and K, potentially indicated mica, and Fe, suggesting the presence of iron oxides.

Table 9-2: Major element concentrations of the samples collected on the property.

SAMPL E ID	Al <sub>2</sub> O <sub>3</sub> (%)	BaO (%)	CaO (%)	Cr <sub>2</sub> O <sub>3</sub> (%)	Fe <sub>2</sub> O <sub>3</sub> (%)	K <sub>2</sub> O (%)	MgO (%)	MnO (%)	Na <sub>2</sub> O (%)	P <sub>2</sub> O <sub>5</sub> (%)	SO <sub>3</sub> (%)	SiO <sub>2</sub> (%)	SrO (%)	TiO <sub>2</sub> (%)	Total (%)
B498001	0.58	0.01	0.02	<0.01	0.38	0.11	0.02	<0.01	0.02	0.01	<0.01	98.21	<0.01	0.07	9.5
B498002	0.45	0.01	0.01	<0.01	0.45	0.14	0.03	<0.01	0.01	0.01	<0.01	98.47	0.01	0.05	99.73
B498003	0.37	0.01	0.02	<0.01	0.4	0.12	0.02	<0.01	0.02	0.01	0.01	98.71	<0.01	0.04	99.82
B498004	0.38	0.01	0.01	0.01	0.59	0.09	0.01	<0.01	0.02	0.02	<0.01	98.9	<0.01	0.05	100.1
B498005	0.53	0.01	0.01	<0.01	0.64	0.11	0.02	<0.01	0.02	0.01	<0.01	98.47	<0.01	0.04	99.93
B498006	0.47	0.01	0.01	0.01	0.53	0.1	0.01	0.01	0.03	0.01	<0.01	98.73	<0.01	0.07	100.05
B498007	0.54	0.01	0.01	<0.01	0.58	0.21	0.02	0.01	0.03	0.01	<0.01	98.42	<0.01	0.07	99.95
B498008	0.88	0.01	0.02	0.01	0.61	0.1	0.02	0.01	0.21	0.01	<0.01	98.17	<0.01	0.06	100.15
B498009	0.47	0.01	0.02	<0.01	0.56	0.22	0.01	0.01	0.02	0.01	<0.01	97.87	<0.01	0.06	99.26
B498010	1	0.01	0.06	<0.01	1.17	0.15	0.15	0.02	0.05	0.04	<0.01	97.15	0.01	0.06	99.82
B498011	0.46	0.01	<0.01	<0.01	0.26	0.06	0.01	<0.01	0.02	0.01	<0.01	98.15	<0.01	0.05	99.16
B498012	0.54	0.01	0.01	<0.01	0.48	0.17	0.01	<0.01	0.05	0.01	<0.01	98.01	<0.01	0.05	99.5
B498013	0.33	0.01	<0.01	0.01	1.1	0.08	<0.01	0.01	0.01	0.01	<0.01	98.3	<0.01	0.05	99.93
B498014	1.01	0.01	0.03	0.01	0.75	0.32	0.02	0.01	0.07	0.02	0.01	97.55	<0.01	0.06	100.15
B498015	0.49	0.01	0.02	0.01	0.87	0.12	0.02	0.01	0.04	0.01	<0.01	97.72	<0.01	0.06	99.94
B498016	1.77	0.02	0.02	0.01	0.83	0.41	0.02	0.01	0.07	0.01	<0.01	96.28	<0.01	0.12	99.77
B498017	0.39	0.01	<0.01	0.01	0.6	0.12	<0.01	<0.01	0.01	0.01	<0.01	98.81	0.01	0.05	100.05
B498018	0.63	0.01	0.01	<0.01	0.4	0.07	<0.01	<0.01	0.01	0.01	<0.01	98.11	<0.01	0.08	99.68
B498019	1.03	0.01	0.01	0.01	1	0.05	<0.01	0.01	0.01	0.01	<0.01	96.82	<0.01	0.14	99.65
B498020	0.41	0.01	<0.01	<0.01	0.64	0.06	<0.01	0.01	0.01	0.01	<0.01	97.86	<0.01	0.1	99.14
B498021	0.34	0.01	0.02	<0.01	0.56	0.08	<0.01	<0.01	0.01	0.01	<0.01	98.45	<0.01	0.05	99.58
B498022	0.57	0.01	0.01	<0.01	0.57	0.21	<0.01	<0.01	0.03	0.01	<0.01	98.57	<0.01	0.04	100.05
B498023	0.54	0.01	0.01	<0.01	0.53	0.06	<0.01	<0.01	0.01	0.01	<0.01	98.07	<0.01	0.07	99.67
B498024	0.64	0.01	0.01	<0.01	0.47	0.08	<0.01	<0.01	0.05	0.01	<0.01	97.93	<0.01	0.05	99.4
B498025	0.75	0.01	0.01	0.01	0.52	0.2	<0.01	<0.01	0.11	0.01	<0.01	98.09	<0.01	0.05	99.75
B498026	1.01	0.02	0.01	<0.01	0.58	0.09	0.02	0.01	0.02	0.02	<0.01	97.68	<0.01	0.09	100
B498027	0.53	0.01	0.02	<0.01	0.67	0.11	0.07	0.01	0.03	0.02	<0.01	98.57	<0.01	0.07	100.2
B498028	0.77	0.01	0.03	<0.01	0.62	0.19	0.05	0.01	0.05	0.02	<0.01	98	<0.01	0.09	99.89
B498029	0.92	0.01	0.02	0.01	0.7	0.25	0.08	0.01	0.04	0.01	<0.01	97.39	<0.01	0.1	99.69
B498030	0.66	0.01	0.03	0.03	0.97	0.14	0.24	0.01	0.04	0.02	<0.01	97.3	<0.01	0.1	99.85
B498031	0.42	0.01	0.01	<0.01	0.67	0.09	<0.01	0.01	0.04	0.01	<0.01	98.31	<0.01	0.07	99.76
B498032	0.47	0.01	0.01	<0.01	0.58	0.13	<0.01	0.01	0.01	0.01	<0.01	98.83	<0.01	0.05	100.25
B498033	0.61	0.01	0.01	<0.01	0.67	0.16	0.02	0.01	0.04	0.01	<0.01	98.11	<0.01	0.06	99.81
B498034	0.63	0.01	0.01	0.01	0.73	0.07	0.02	0.01	0.01	0.01	<0.01	98.21	<0.01	0.05	99.81
B498035	0.31	0.01	<0.01	<0.01	0.65	0.04	<0.01	0.01	<0.01	0.01	<0.01	98.76	<0.01	0.05	99.88
B498036	0.25	0.01	<0.01	<0.01	0.52	0.07	<0.01	<0.01	<0.01	0.01	<0.01	98.32	<0.01	0.03	99.16
B498037	0.24	0.01	<0.01	0.01	0.59	0.03	0.02	0.01	0.03	0.01	<0.01	99	0.01	0.05	99.92
B498038	0.35	0.01	0.01	<0.01	1.18	0.03	0.05	0.01	<0.01	0.02	<0.01	97.83	<0.01	0.06	99.56
B498039	0.12	0.01	0.01	<0.01	0.62	0.01	0.01	0.01	0.01	0.01	<0.01	99.27	<0.01	0.04	99.88
B498040	0.42	0.01	0.01	0.01	1.16	0.11	0.03	0.01	0.01	0.01	<0.01	97.56	<0.01	0.04	99.21
B498041	0.33	0.01	0.01	<0.01	0.69	0.06	0.03	0.01	0.01	0.01	<0.01	98.61	<0.01	0.04	99.77

SAMPL E ID	Al <sub>2</sub> O <sub>3</sub> (%)	BaO (%)	CaO (%)	Cr <sub>2</sub> O <sub>3</sub> (%)	Fe <sub>2</sub> O <sub>3</sub> (%)	K <sub>2</sub> O (%)	MgO (%)	MnO (%)	Na <sub>2</sub> O (%)	P <sub>2</sub> O <sub>5</sub> (%)	SO <sub>3</sub> (%)	SiO <sub>2</sub> (%)	SrO (%)	TiO <sub>2</sub> (%)	Total (%)
B498042	0.34	0.01	0.02	<0.01	0.77	0.06	0.04	0.01	0.01	0.01	<0.01	97.72	<0.01	0.04	99.17
B498043	0.33	0.01	<0.01	0.01	0.61	0.11	0.01	0.01	0.02	0.01	<0.01	98.53	<0.01	0.05	99.64
B498044	0.48	0.01	0.01	<0.01	0.6	0.14	0.03	0.01	0.05	0.01	<0.01	98.29	<0.01	0.06	99.65
B498045	0.69	0.01	<0.01	0.01	0.55	0.12	0.04	<0.01	0.01	0.01	<0.01	97.97	<0.01	0.09	99.54
B498047	0.96	0.01	0.01	<0.01	0.67	0.18	0.04	0.01	0.02	0.01	<0.01	97.43	<0.01	0.08	99.57
B498048	0.65	0.01	0.01	<0.01	0.58	0.18	0.04	0.01	0.08	0.01	<0.01	97.96	<0.01	0.09	99.64
B498049	0.74	0.01	0.01	<0.01	0.66	0.13	0.02	0.01	0.02	0.01	<0.01	97.92	0.01	0.08	100.05
B498050	0.75	0.01	0.01	0.01	1.26	0.15	0.03	0.01	0.02	0.01	<0.01	97.18	<0.01	0.08	99.73
B498051	0.45	0.01	0.01	<0.01	0.75	0.1	0.03	0.01	0.01	0.01	<0.01	98.05	<0.01	0.07	99.81
B498052	0.77	0.01	0.01	0.01	0.77	0.13	0.03	0.01	0.02	0.01	<0.01	98.12	<0.01	0.08	99.98
B498053	1.15	0.01	0.01	0.01	0.67	0.26	0.03	0.01	0.07	0.01	<0.01	96.9	<0.01	0.09	99.23
B498054	0.83	0.01	<0.01	0.01	0.69	0.08	0.02	0.01	0.01	0.01	<0.01	97.83	0.01	0.08	99.64
B498055	0.69	0.01	<0.01	0.01	0.61	0.12	0.02	<0.01	0.01	0.01	<0.01	98.14	<0.01	0.08	99.84
B498056	0.82	0.01	0.01	0.01	0.78	0.14	0.04	0.01	0.04	0.01	<0.01	97.4	<0.01	0.08	99.38
B498057	0.76	0.01	<0.01	<0.01	0.83	0.12	0.02	0.01	0.01	0.01	<0.01	97.81	<0.01	0.09	99.52
B498058	0.62	0.01	<0.01	<0.01	0.89	0.13	0.03	0.01	0.01	0.01	<0.01	97.43	<0.01	0.09	99.25
B498059	0.69	0.01	0.01	0.01	0.7	0.13	0.03	0.01	0.03	0.01	<0.01	98.03	<0.01	0.07	99.61
B498060	0.53	0.01	0.01	<0.01	0.95	0.13	0.04	0.01	0.01	0.01	<0.01	98.31	<0.01	0.09	100
B498061	1.24	0.02	0.01	0.01	0.88	0.26	0.06	0.01	0.09	0.01	<0.01	97.39	<0.01	0.1	100.1
B498062	0.82	0.01	0.01	0.01	1.07	0.16	0.06	0.01	0.03	0.01	<0.01	97.44	<0.01	0.11	99.71
B498063	0.38	0.01	0.01	0.01	0.77	0.1	0.02	0.01	0.01	0.01	<0.01	98.51	<0.01	0.05	99.83
B498064	0.94	0.01	0.01	0.01	0.96	0.26	0.05	0.01	0.05	0.01	<0.01	97.52	<0.01	0.07	99.73
B498065	0.63	0.01	0.01	<0.01	0.85	0.18	0.04	0.01	0.03	0.01	<0.01	97.67	<0.01	0.07	99.39
B498066	0.63	0.01	0.01	<0.01	0.62	0.15	0.02	0.01	0.04	0.01	<0.01	97.96	<0.01	0.08	99.64
B498067	0.43	0.01	0.01	0.01	0.62	0.15	0.02	0.01	0.04	0.01	<0.01	98.47	<0.01	0.06	99.71
B498068	0.42	0.01	0.01	0.01	0.69	0.13	0.03	0.01	0.06	0.01	<0.01	97.9	<0.01	0.05	99.23
B498069	0.29	0.01	<0.01	0.01	0.72	0.09	0.01	0.01	0.01	0.01	<0.01	98.67	<0.01	0.06	99.71
B498070	0.35	0.01	0.01	<0.01	0.58	0.09	0.02	<0.01	0.01	0.01	<0.01	98.31	<0.01	0.05	99.35
B498071	1.2	0.01	0.01	<0.01	0.84	0.53	0.02	0.01	0.03	0.01	<0.01	96.83	<0.01	0.09	99.58
B498072	0.28	0.01	<0.01	0.01	0.69	0.07	0.02	0.01	0.02	0.01	<0.01	98.41	<0.01	0.05	99.57
B498073	0.49	0.01	<0.01	0.01	0.71	0.18	0.02	<0.01	0.02	0.01	<0.01	98.64	<0.01	0.05	100.15
B498074	0.93	<0.01	0.01	<0.01	0.71	0.12	0.02	0.01	0.04	0.01	<0.01	97.23	0.01	0.07	99.27
B498075	0.49	0.01	0.01	<0.01	0.78	0.16	0.02	0.01	0.02	0.01	<0.01	97.86	<0.01	0.05	99.45
B498076	0.75	<0.01	<0.01	<0.01	0.89	0.12	0.03	0.01	0.01	0.01	<0.01	97.65	<0.01	0.07	99.53
B498077	1.17	<0.01	0.01	<0.01	0.94	0.08	0.05	0.01	0.06	0.01	<0.01	97.81	<0.01	0.11	100.25
B498078	0.3	0.01	<0.01	<0.01	0.69	0.06	0.02	0.01	0.02	0.01	<0.01	98.61	<0.01	0.06	99.68
B498079	0.45	<0.01	<0.01	0.01	0.66	0.12	0.02	0.01	0.03	0.01	<0.01	98.37	<0.01	0.04	99.64
B498080	0.35	<0.01	<0.01	<0.01	0.66	0.11	0.01	0.01	0.01	0.01	<0.01	98	<0.01	0.04	99.12
B498081	0.93	0.01	0.03	<0.01	0.87	0.32	0.06	0.01	0.12	0.01	<0.01	97.22	<0.01	0.08	99.64
B498082	0.54	0.01	0.01	0.01	0.57	0.11	0.02	0.01	0.06	0.01	<0.01	98.07	<0.01	0.06	99.46
B498083	0.36	0.01	0.01	<0.01	0.85	0.07	0.02	0.01	0.04	0.01	<0.01	98.28	<0.01	0.09	99.88
B498084	0.44	0.01	0.01	<0.01	0.64	0.15	0.01	0.01	0.03	0.01	<0.01	98.33	<0.01	0.06	99.88
B498085	0.68	0.01	0.01	<0.01	0.55	0.19	0.03	0.01	0.11	0.01	<0.01	97.86	0.01	0.05	99.61
B498086	0.37	0.01	0.01	<0.01	0.54	0.15	0.02	0.01	0.04	0.01	<0.01	98.03	<0.01	0.06	99.17
B498087	0.77	0.01	0.01	<0.01	0.73	0.32	0.05	0.01	0.1	0.01	<0.01	97.44	<0.01	0.07	99.32
B498088	0.66	0.01	0.01	<0.01	0.63	0.19	0.02	0.01	0.11	0.01	<0.01	97.91	<0.01	0.13	99.69
B498089	10.65	0.04	0.73	<0.01	2.49	3.42	0.65	0.03	2.35	0.02	<0.01	78.67	0.01	0.23	99.39
B498090	14.07	0.07	0.99	0.01	6.39	3.19	2.18	0.08	0.84	0.04	0.01	70.99	0.02	0.72	99.76



Detailed analysis of the trace element data indicated that those samples that were collected with the hammer drill contained strongly anomalous W, Cu and Co values of up to 0.2% W (Table 12-3). These elevated values are attributed to the hammer drill bit.

Table 9-3: Selected trace element concentrations of the samples collected on the property.

SAMPLE	Th (ppm)	U (ppm)	V (ppm)	W (ppm)	Zr (ppm)	Co (ppm)	Cu (ppm)	Li (ppm)	Mo (ppm)	Ni (ppm)	Pb (ppm)	Zn (ppm)
B498001	2.54	0.52	6	1	143	<1	<1	10	<1	<1	<2	<2
B498002	2.26	0.55	<5	1	99	<1	<1	<10	<1	<1	<2	<2
B498003	2.92	0.55	5	1	119	<1	<1	10	<1	1	<2	<2
B498004	5.99	0.73	6	1	103	<1	1	10	<1	1	2	2
B498005	4.1	0.71	<5	<1	86	<1	<1	10	<1	1	<2	<2
B498006	0.4	0.21	6	1	156	<1	<1	10	<1	<1	<2	<2
B498007	0.95	0.49	5	1	236	<1	<1	10	<1	<1	<2	<2
B498008	1.42	0.81	5	1	99	<1	<1	20	<1	<1	<2	<2
B498009	1.2	0.4	8	1	126	<1	<1	<10	<1	<1	<2	<2
B498010	6.98	0.78	8	1	104	<1	<1	<10	<1	<1	<2	3
B498011	2.21	0.39	5	347	56	32	33	10	1	1	<2	<2
B498012	3.34	0.68	<5	1760	161	166	33	10	4	3	<2	<2
B498013	2.86	0.47	<5	1350	45	123	62	10	14	11	<2	<2
B498014	2.44	0.55	7	595	105	66	143	10	6	7	<2	<2
B498015	2.45	0.62	7	2020	51	251	483	10	7	15	<2	<2
B498016	2.33	0.77	9	1	147	<1	<1	10	<1	1	<2	<2
B498017	4.9	0.57	7	1	85	<1	<1	10	<1	<1	<2	<2
B498018	3.03	0.42	7	485	135	48	27	10	3	3	<2	6
B498019	4.28	0.61	8	1470	120	146	69	10	8	8	<2	2
B498020	1.84	0.48	8	2	249	<1	<1	10	<1	<1	<2	<2
B498021	2.74	0.63	5	1	190	<1	<1	10	<1	<1	<2	<2
B498022	2.33	0.38	5	1	48	<1	<1	<10	<1	1	<2	<2
B498023	1.99	0.46	10	1	87	<1	<1	10	<1	<1	<2	<2
B498024	2.28	0.68	11	1	64	<1	<1	10	<1	<1	<2	<2
B498025	2.39	0.56	5	1	70	<1	<1	10	<1	<1	<2	<2
B498026	2.91	0.35	9	1	67	<1	<1	10	<1	<1	<2	<2
B498027	3.2	0.45	7	1	74	<1	<1	<10	<1	<1	<2	4
B498028	2.49	0.39	11	1	136	<1	<1	10	<1	1	<2	2
B498029	1.67	0.26	9	1	112	<1	<1	10	<1	1	<2	3
B498030	3.72	0.41	9	1	111	<1	<1	10	<1	2	<2	16
B498031	1.86	0.29	7	1	87	<1	<1	<10	<1	1	<2	<2
B498032	1.86	0.28	5	1	73	<1	<1	<10	<1	<1	<2	<2
B498033	1.74	0.32	9	1	77	<1	<1	10	<1	<1	<2	<2
B498034	2.54	0.53	6	1	94	<1	<1	10	<1	1	<2	<2
B498035	2.41	0.38	<5	1	121	<1	<1	<10	<1	<1	<2	<2
B498036	1.82	0.22	<5	1	44	<1	<1	<10	<1	<1	<2	<2
B498037	2.6	0.61	7	1	80	<1	2	<10	<1	3	3	2
B498038	3.27	0.73	9	1	76	<1	<1	<10	<1	1	<2	<2
B498039	1.65	0.25	<5	1	52	<1	<1	<10	<1	1	<2	<2
B498040	2.36	0.3	<5	1	65	<1	<1	<10	<1	<1	<2	<2
B498041	2.03	0.27	6	1	62	<1	1	<10	<1	1	<2	<2
B498042	2.83	0.4	64	2	133	<1	<1	10	<1	<1	<2	3
B498043	3.51	0.49	10	1	63	<1	<1	<10	<1	<1	<2	<2
B498044	5.66	0.57	5	1	105	<1	<1	<10	<1	<1	<2	<2
B498045	1.8	0.46	19	1	112	<1	<1	<10	<1	<1	<2	<2
B498047	4.55	0.62	10	1	54	<1	<1	<10	<1	<1	<2	<2

SAMPLE	Th (ppm)	U (ppm)	V (ppm)	W (ppm)	Zr (ppm)	Co (ppm)	Cu (ppm)	Li (ppm)	Mo (ppm)	Ni (ppm)	Pb (ppm)	Zn (ppm)
B498048	3.94	0.51	8	1	180	<1	<1	<10	<1	<1	<2	<2
B498049	3.03	0.52	9	1	91	<1	<1	<10	<1	1	<2	<2
B498050	4.46	0.64	88	1	71	<1	<1	<10	<1	<1	<2	<2
B498051	2.48	0.4	5	1	94	<1	<1	<10	<1	1	<2	<2
B498052	3.6	0.54	15	1	104	<1	<1	<10	<1	<1	<2	<2
B498053	5.65	0.81	7	1	100	<1	<1	<10	<1	<1	<2	<2
B498054	3.27	0.47	8	1	84	<1	<1	10	<1	<1	<2	<2
B498055	2.92	0.6	7	1	121	<1	<1	10	<1	1	<2	<2
B498056	2.42	0.51	27	1	111	<1	<1	10	<1	<1	<2	<2
B498057	2.88	0.48	6	1	122	<1	<1	<10	<1	<1	<2	<2
B498058	2.05	0.51	5	1	95	<1	<1	<10	<1	<1	<2	<2
B498059	2.93	0.47	11	1	88	<1	<1	10	<1	<1	<2	<2
B498060	2.72	0.69	7	1	95	<1	<1	<10	<1	<1	<2	<2
B498061	2.99	0.97	9	1	130	<1	<1	10	<1	<1	<2	<2
B498062	3.09	0.65	8	1	113	<1	<1	<10	<1	<1	<2	<2
B498063	3.29	0.31	<5	1	78	<1	<1	<10	<1	<1	<2	<2
B498064	3.8	0.5	7	1	90	<1	<1	<10	<1	<1	<2	<2
B498065	3.05	0.4	<5	<1	90	<1	<1	<10	<1	<1	<2	<2
B498066	3.56	0.46	6	1	90	<1	<1	<10	<1	<1	<2	<2
B498067	4.86	0.49	5	1	106	<1	<1	<10	<1	<1	<2	<2
B498068	2.57	0.27	6	1	50	<1	<1	<10	<1	<1	<2	<2
B498069	1.64	0.47	6	1	98	<1	<1	<10	<1	<1	<2	<2
B498070	2.28	0.44	6	1	73	<1	<1	10	<1	<1	<2	<2
B498071	0.95	0.77	46	1	142	<1	<1	10	<1	<1	<2	<2
B498072	2.01	0.31	7	1	42	<1	<1	10	<1	<1	<2	<2
B498073	2.51	0.65	10	1	93	<1	<1	<10	<1	<1	<2	<2
B498074	2.31	0.56	6	<1	158	<1	2	10	1	3	3	4
B498075	3.45	0.65	5	1	74	1	1	10	<1	2	<2	<2
B498076	3.34	0.55	5	<1	52	1	1	10	<1	1	2	<2
B498077	2.08	0.54	12	1	237	<1	1	10	<1	1	<2	3
B498078	1.26	0.47	<5	<1	87	1	1	<10	<1	<1	<2	<2
B498079	3.68	0.73	<5	<1	66	<1	1	10	<1	3	2	<2
B498080	1.49	0.31	<5	1	53	<1	1	<10	<1	2	<2	<2
B498081	1.35	1.25	6	<1	225	<1	1	10	<1	2	<2	2
B498082	0.87	0.54	<5	1	61	1	1	10	<1	3	<2	<2
B498083	3.3	0.72	6	1	55	1	1	<10	1	2	<2	<2
B498084	1.03	0.53	<5	<1	173	<1	1	<10	<1	<1	<2	<2
B498085	1.07	0.29	<5	<1	95	<1	1	<10	<1	1	<2	2
B498086	0.97	0.34	<5	<1	128	1	1	<10	<1	1	<2	<2
B498087	5.47	1.23	<5	<1	183	1	1	<10	<1	3	<2	2
B498088	1.83	0.59	5	<1	397	1	1	10	<1	1	<2	2
B498089	2.6	1.04	18	<1	233	3	1	10	5	6	28	46
B498090	5.75	0.52	87	<1	360	10	17	10	<1	12	9	102

## Mapping

Mapping consisted dominantly of collecting strike and dip measurements and describing the quartzite. The quartzite is typically blocky and breaks along joints when struck with a hammer. The quartzite is homogeneous

between the outcrops that Waldo Sciences mapped and sampled. The mapping of the limited outcrops on property confirmed that the local geology map is accurate, at least where outcrops were available.

Strike and dip measurements were collected throughout the property. Quartzite outcrops typically strike between  $65^{\circ}$  and  $85^{\circ}$  and dip between  $40^{\circ}$  and  $60^{\circ}$  to the north.

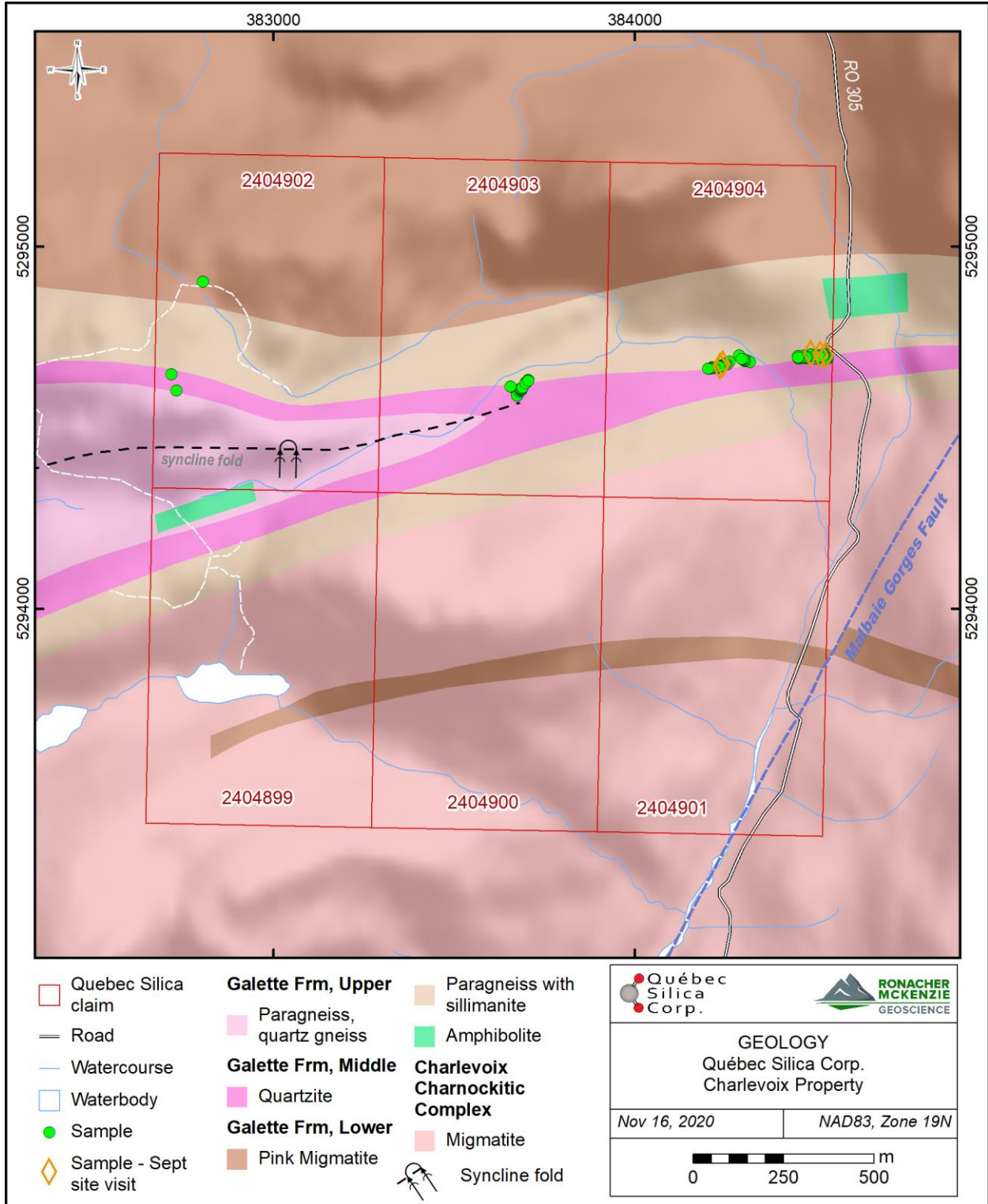


Figure 9-1: Map showing the locations of the samples collected by Québec Silica. The locations of the check-samples collected during the personal inspection are also shown.



Figure 9-2: Dewalt SDS hammer drill 20V MAX with dust extractor D25303DH attached.

### **VLF-EM Survey**

The VLF-EM survey (very low frequency electromagnetic) is a tool used for identifying conductive and resistive geological units. It measures the vertical deflective component produced by local conductors in an otherwise undisturbed horizontal electromagnetic field emanating from a VLF transmitter. This measurement is known as the “dip-angle”.

The VLF-EM survey was conducted using a Sabre Model 27 VLF-EM receiver unit in conjunction with a Garmin GPS 60 handheld GPS receiver. The VLF receiver was set to obtain a VLF transmission from the U.S. Naval transmitter located in Cutler, Maine, broadcasting at a frequency of 24.0 kHz. The Sabre Model 27 VLF-EM receiver displays readings in analog form, which is manually recorded by the operator.

Once the unit registered a positive signal from Cutler, Maine, the relative field strength was calibrated against areas of known observable outcrop and the gain recorded. This calibration procedure was conducted each day before a survey line was walked on the eastern side of the property along line A-A' line shown in Figure 9-3, in order to authenticate that the VLF-EM unit was registering correctly

Dip-angle, relative field strength, and GPS coordinates were recorded at 25 metre intervals on the calibration line and the five survey lines (Figure 9-3). No line cutting was completed prior to the survey, the survey lines are not on a grid.

The VLF-EM survey appears to have been successful in differentiating between quartzite and surrounding rocks. Abrupt changes in resistivity were recorded at the quartzite contacts. However, a more detailed survey is required to delineate the quartzite in more areas on the property than the current survey covered.

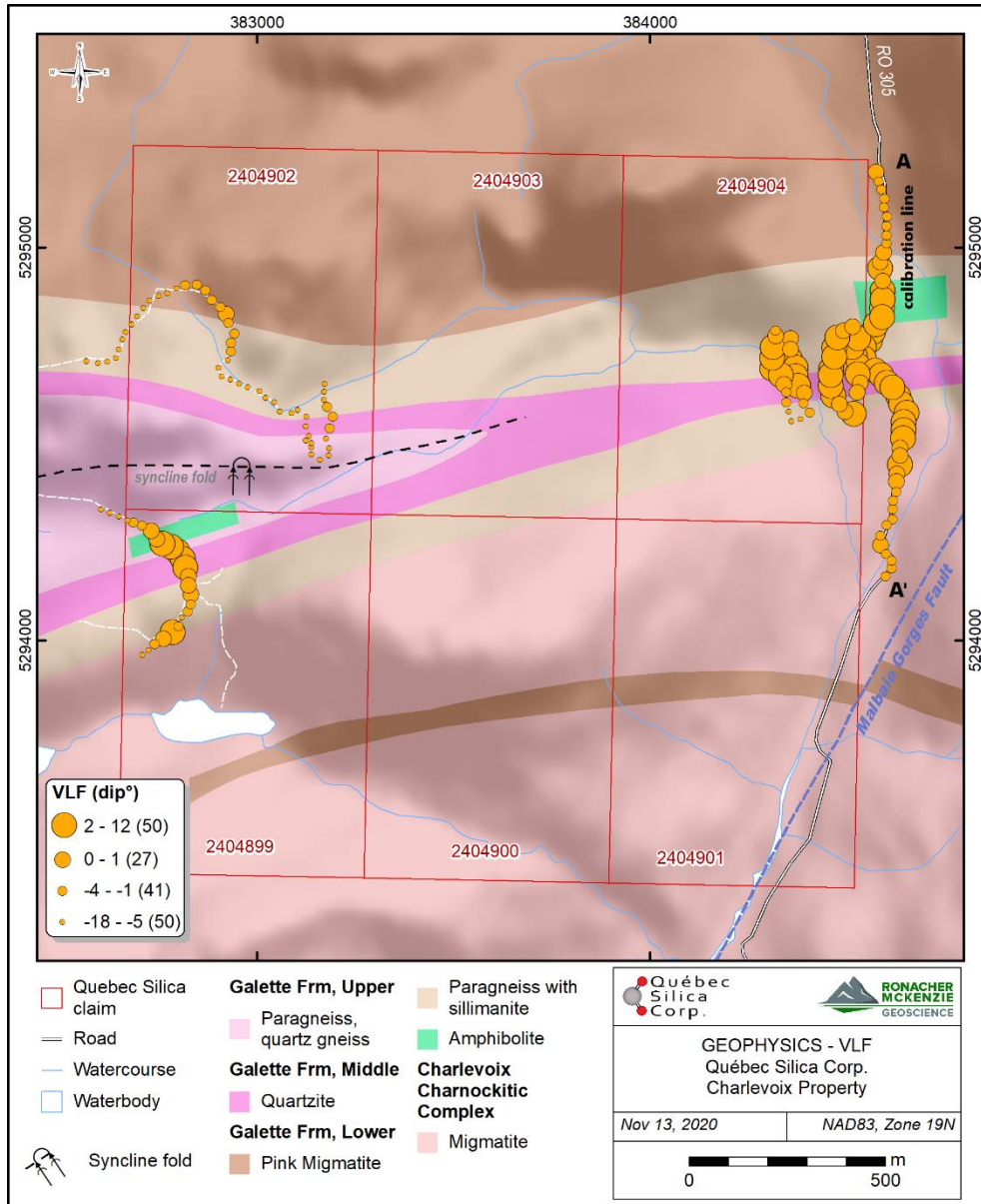


Figure 9-3: Map showing the results of the VLF-EM survey.

## Interpretation

The sampling program was successful in that a quartzite unit was delineated across three of the six claims. The SiO<sub>2</sub> content of the samples ranges from 96.27 to 99.27%. The main impurities are Fe and Al; five of the 87

quartzite samples contain >1.00% Fe<sub>2</sub>O<sub>3</sub>. The quartzite sampled to date is considered relatively pure although not ultra-pure (>99% SiO<sub>2</sub>). Sampling focused on accessible areas on the property. Future sampling that covers a larger area will provide further insight into the consistency of the quartzite unit.

The VLF-EM survey was successful in that it determined resistive zones that were mapped as quartzite and sampled.

Based on the results of the 2020 reconnaissance exploration program the QPs conclude that further exploration for quartzite is warranted on the Charlevoix property.

### **Drilling**

No drilling has been completed by Quebec Silica on the property as of the effective date of this report.

### **Sample Preparation, Analyses and Security**

The samples collected during the field program were bagged in plastic sample bags together with pre-numbered sample tags. The bags were closed with zip ties and placed in rice bags. Certified reference materials (“CRM”) and blanks were not included. Samples were delivered to ALS Laboratories (“ALS”) in Val d’Or by Waldo Sciences’ field crew. At Val d’Or ALS crushed the samples to 70% <2 mm and pulverized an aliquot of 250 g to 85% <75 µm. Extra cleaning of both the crusher and pulverizer were completed after each sample. The samples were analyzed by ALS in Vancouver by XRF (ALS code ME-XRF26) for major elements and by Li-borate fusion (ALS codes ME-MS81/ME-4ACD81) for metals and trace elements. ALS is accredited to ISO/IEC 17025:2017 standards for ME-XRF26 and ME-MS81. ALS is independent of Quebec Silica.

ALS included internal standards, blanks and duplicates, which were reviewed by the QPs. Standard BCS-516 was included in the XRF analysis and all values for SiO<sub>2</sub>, Al<sub>2</sub>O<sub>3</sub> and Fe<sub>2</sub>O<sub>3</sub> fell within three standard deviations. All blanks passed. Three duplicates were run by ALS; all duplicates performed reasonably well for SiO<sub>2</sub>, Al<sub>2</sub>O<sub>3</sub> and Fe<sub>2</sub>O<sub>3</sub>. Concentrations of most other elements were close to or below the detection limit.

### **Check Samples**

Five check samples were collected during the site visit (Site Visit). The grab samples were collected in plastic bags with pre-labeled sample tags. One quartz blank was added. The samples were transported from the property to Montreal by one of the authors of this report (Luc Harnois). In Montreal, the samples were dropped off at AGAT Laboratories (“AGAT”). AGAT shipped the samples to their facility in Mississauga, ON, where they were prepared and analyzed.

The check samples were crushed to 70 % <2 mm; 250 g was split using a riffle splitter and pulverized to 85 % passing 75 µm (AGAT analysis code 200-001). Extra cleaning of the crusher and pulverizer was requested after each sample (AGAT analysis code 200-018). The samples were then analyzed by XRF (lithium borate fusion) for major elements (AGAT analysis code 201-676) and by lithium borate fusion, 4-acid digest and ICP-MS finish for trace elements (AGAT analysis code 201-078).

AGAT is accredited to ISO/IEC 17025 for certain analyses, including the analyses used for the check samples (201-676, 201-078). AGAT is independent of Quebec Silica.

One blank was included in the suite of check samples. The blank material contained 99.30% SiO<sub>2</sub> and no significant trace element concentrations.

The QPs are of the opinion that the sample preparation, security and analytical procedures were adequate for the purpose of this report. However, CRM and blanks should be included in any future sampling program.

### Data Verification

### Site Visit

Luc Harnois, Ph.D., P.Geo., visited the Charlevoix Silica Property on September 10, 2020. Dr. Harnois accessed the property from Baie-Saint-Paul by public paved road #381 (54 km; 45 minutes), then by a ZEC-operated gravel road to claim 2404904 (23 km; 47 min) or to claim 2404902 (24 km; 50 min) (Figure 12-1 to Figure 12-4). The gravel road connects to paved road #381 at UTM 369424E 5296112N. The gravel roads shown on Figure 12-2, Figure 12-3 and Figure 12-4, are fair to good. The Property can easily be accessed by an all-wheel drive SUV.

The Property is located within the Laurentian Mountains of the Canadian Shield and the rolling mountains dominate the view (Figure 12-4 and Figure 12-5). The bush is thick (Figure 12-6 and Figure 12-7) and the number of quartzite outcrops is low.

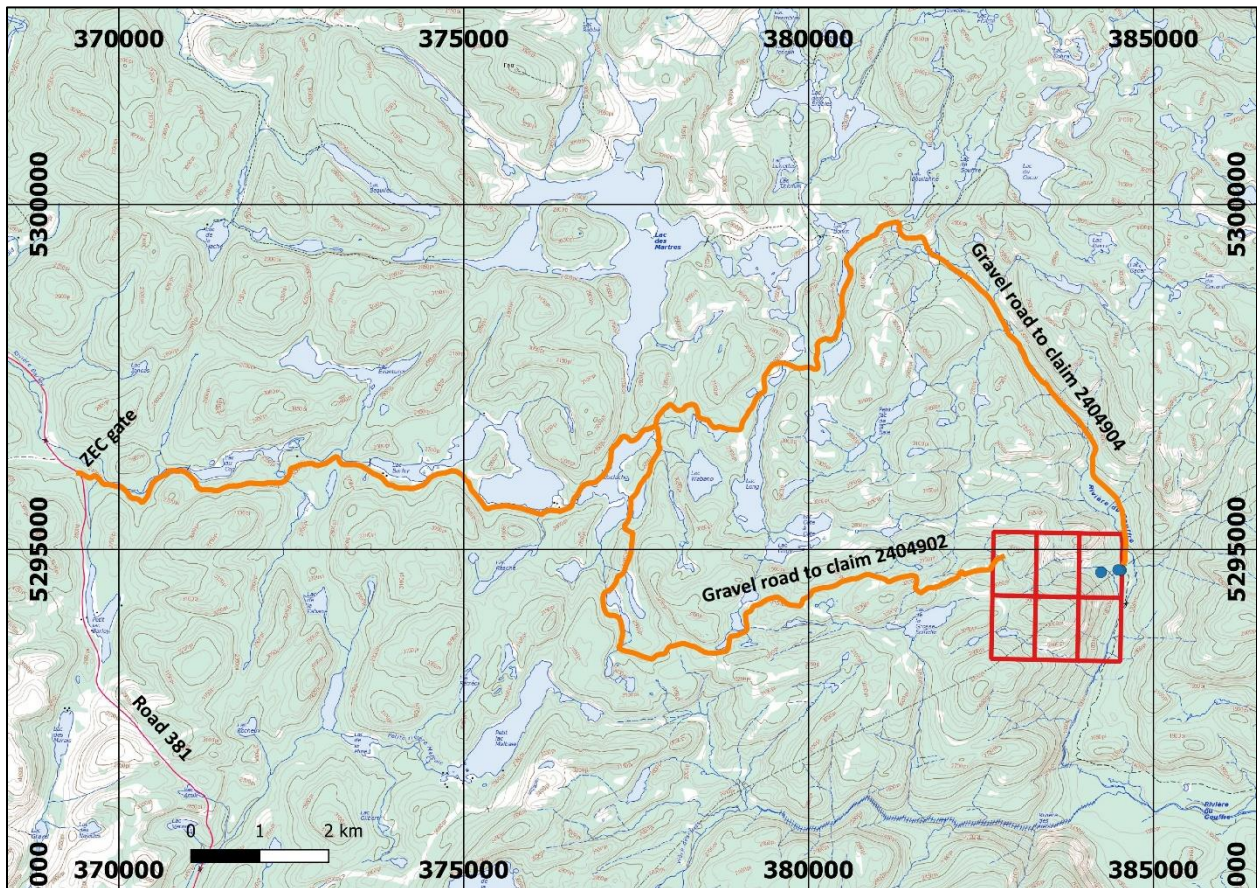


Figure 12-1: Map showing paved road #381, the ZEC gate, the claims (red), and the gravel roads (orange). The blue dots indicate the location of the samples collected during the site visit.





Figure 12-2: ZEC des Martres gate UTM 369623E 5296050N, near road 381, looking E



Figure 12-3: Gravel road and forestry excavator near Lac Barley, looking E.



*Figure 12-4: Gravel road UTM 384563E 5294702N, claim 2404904, looking SE*



*Figure 12-5: Photo taken from UTM 384563E 5294702N, claim 2404904, looking SE*



*Figure 12-6: Geologist Jonathan Broadbent, typical bush, claim 2404904*



*Figure 12-7: Creek UTM 384313E 5294706N, claim 2404904*

At the time of the site visit, two Waldo Sciences geologists (Jonathan Broadbent and Tom Dyakowski) were sampling the quartzite and doing a VLF-EM survey on the property. They were drilling samples 30-40 cm deep and 3/4 inch (1.9 cm) in diameter in the quartzite with a Dewalt 20V MAX hammer drill equipped with the D25303DH dust extractor system (Figure 9-2, Figure 12-8). They were also collecting grab samples next to each hole and at other locations (Figure 12-9 to Figure 12-11).

There was no physical grid (such as a baseline and rows of pickets) on the property. The VLF-EM survey was completed by taking readings at 25 m intervals (determined with a hand-held GPS) along virtual lines perpendicular to the expected lithological contacts of the quartzite in selected areas. The very low response of the quartzite compared to the adjacent garnet-sillimanite-cordierite-spinel paragneiss allows for the location of the lithological contact. The VLF-EM receiver used is Model 27 manufactured by Sabre Electronic Instruments Ltd of Burnaby, B.C.

During the site visit, five grab samples of quartzite were collected to verify previously published analytical results relevant to the quality of this silica deposit (Table 12-1; Figure 12-2, Figure 12-3).

Sample results are listed in Table 12-2 and Table 12-3. The check sample results are consistent with the results obtained by St. Pierre and Wray (2017) and with Quebe Silica’s sampling (Table 12-4).

The QP concludes that the data presented in this report are adequate for the purpose of the report.

*Table 12-1: Check samples collected during the personal inspection of the property.*

<b>Sample</b>	<b>Easting</b>	<b>Northing</b>	<b>Rock type</b>	<b>Historic sampling*</b>	<b>Comment</b>
E503356	NA	NA	Blank		
E503351	384530	5294699	Quartzite	17205	Hole HDH-2 (Sept 2020)
E503352	384515	5294701	Quartzite	Between 17205 and 17207	Hole HDH-6 (Sept 2020)
E503353	384245	5294674	Quartzite	Near 17208	
E503354	384237	5294668	Quartzite	17208	
E503355	384487	5294704	Quartzite	17207	

\* St.-Pierre and Wray, 2017



Figure 12-8: Geologist Tom Dyakowski drilling hole HDH-2 in quartzite (UTM 384531E 5294697N, claim 2404904) with the Dewalt hammer drill 20V MAX and dust extractor system D25303DH



Figure 12-9: Typical drill hole sample (HDH-1), quartzite powder collected by the dust extractor system D25303DH.



Figure 12-10: Drill hole HDH-2 and grab sample E503352, quartzite, UTM 384530E 5294699N, claim 2404904.



Figure 12-11: Drill hole HDH-2 with dowell and labeled flag, quartzite, UTM 384531E 5294697N, claim 2404904.

Table 12-2: Selected major element analysis results of the check samples collected during the site visit

Sample	Al <sub>2</sub> O <sub>3</sub> (%)	CaO (%)	Cr <sub>2</sub> O <sub>3</sub> (%)	Fe <sub>2</sub> O <sub>3</sub> (%)	K <sub>2</sub> O (%)	MgO (%)	MnO (%)	Na <sub>2</sub> O (%)	SiO <sub>2</sub> (%)	TiO <sub>2</sub> (%)	LOI (%)	Total Oxides (%)	Historic SiO <sub>2</sub> (%)*
E503356	0.13	0.01	<0.01	0.07	<0.01	0.02	<0.01	0.02	99.30	0.01	0.27	99.80	
E503351	0.34	<0.01	0.03	0.37	0.09	0.02	<0.01	0.05	99.10	0.05	0.15	100.00	98.43

Sample	Al <sub>2</sub> O <sub>3</sub> (%)	CaO (%)	Cr <sub>2</sub> O <sub>3</sub> (%)	Fe <sub>2</sub> O <sub>3</sub> (%)	K <sub>2</sub> O (%)	MgO (%)	MnO (%)	Na <sub>2</sub> O (%)	SiO <sub>2</sub> (%)	TiO <sub>2</sub> (%)	LOI (%)	Total Oxides (%)	Historic SiO <sub>2</sub> (%)*
E503352	0.53	<0.01	0.04	0.43	0.07	<0.01	<0.01	0.04	98.80	0.06	0.17	100.00	
E503353	0.52	0.01	0.05	0.59	0.18	0.02	<0.01	0.08	97.60	0.07	0.22	99.30	
E503354	0.85	<0.01	0.04	0.69	0.11	0.07	<0.01	0.06	97.70	0.11	0.19	99.80	98.96
E503355	0.46	0.01	0.04	0.43	0.13	0.06	<0.01	0.05	98.80	0.08	0.23	100.00	99.39

\*Results reported by St.-Pierre and Wray (2017)



Figure 12-12: Sample E503354, quartzite, UTM 384237E 5294668N, claim 2404904.



Figure 12-13: Sample E503355, quartzite, UTM 384487E 5294704N, claim 2404904. The orange flag may be the 17207 sample flag of January 2017

Table 12-3: Trace element analysis results of the check samples collected during the site visit

SampleNo	Ag(ppm)	Ba(ppm)	Ce(ppm)	Co(ppm)	Cs(ppm)	Dy(ppm)	Er(ppm)	Eu(ppm)	Gd(ppm)	Hf(ppm)
E503356	1.00	13.80	3.10	<0.5	<0.1	0.42	0.28	0.08	0.39	1.00
E503351	<1	14.30	22.00	<0.5	0.10	0.60	0.19	0.09	1.33	1.00
E503352	<1	12.30	31.50	<0.5	0.10	0.70	0.22	0.15	1.76	1.00
E503353	<1	19.90	43.50	<0.5	<0.1	2.44	1.77	0.26	3.30	<1
E503354	<1	14.40	21.70	0.50	0.20	1.77	0.79	0.23	1.91	1.00
E503355	<1	14.50	9.70	0.50	0.50	0.47	0.29	<0.05	0.72	<1

	Ho(ppm)	La(ppm)	Lu(ppm)	Mo(ppm)	Nd(ppm)	Ni(ppm)	Pr(ppm)	Rb(ppm)	Sm(ppm)	Sr(ppm)
E503356	0.08	1.80	<0.05	<2	2.00	<5	0.47	<0.2	0.40	2.80
E503351	0.08	10.00	<0.05	<2	10.00	<5	2.67	5.80	1.70	1.40
E503352	0.11	14.50	<0.05	<2	16.00	6.00	3.97	4.10	2.60	1.10
E503353	0.54	18.20	0.31	<2	21.00	6.00	5.14	6.50	3.90	2.50
E503354	0.31	10.10	0.08	<2	10.00	5.00	2.56	6.90	1.90	1.50
E503355	0.10	4.30	0.06	<2	5.00	6.00	1.19	6.50	0.80	1.90

	Ta(ppm)	Tb(ppm)	Th(ppm)	Tl(ppm)	Tm(ppm)	U(ppm)	V(ppm)	W(ppm)	Y(ppm)	Yb(ppm)	Zr(ppm)
E503356	<0.5	0.05	1.30	<0.5	<0.05	0.27	<5	<1	2.20	0.30	61.00
E503351	<0.5	0.14	2.50	<0.5	<0.05	0.56	<5	<1	2.10	0.20	72.00
E503352	<0.5	0.20	3.30	<0.5	<0.05	0.55	<5	<1	2.50	0.20	85.00
E503353	<0.5	0.44	5.50	<0.5	0.27	0.68	<5	<1	14.80	2.10	74.00
E503354	<0.5	0.31	3.40	<0.5	0.09	0.52	7.00	<1	8.30	0.70	100.00
E503355	<0.5	0.07	2.40	<0.5	0.05	0.42	6.00	<1	3.10	0.40	91.00

Table 12-4: Comparison of the check sample results with the current and historic sampling...

Check Sample No	Historic Sample No.	Quebec Silica Sample No.	Check Sample SiO2 (%)	Historic SiO2 (%)	Quebec Silica SiO2 (%)
E503351	17205	Powdered Sample 2 (B498012)	99.1	98.43	98.01
E503352	between 17205 and 17207	Powdered Sample 6 (B498018)	98.8		98.11
E503353	near 17208		97.6		
E503354	17208		97.7	98.96	
E503355	17207		98.8	99.39	

### Mineral Processing and Metallurgical Testing

No mineral processing and/or metallurgical testing has been completed on the property by Quebec Silica.

### Mineral Resource Estimates

No resource estimates have been completed by Quebec Silica.

### Adjacent Properties

The quartzite band on the Charlevoix property extends beyond the property in the east and southwest (Figure 17-2). The claims to the east of the property are held by private individuals. The claims to the west are held by Rogue Resources Inc. and Sitec Amérique du Nord.

### Rogue Resources Inc.

Rogue Resources Inc. (“Rogue”) holds six cell claims immediately adjacent to the Charlevoix property (Figure 17-1). In 2014, Rogue completed an airborne magnetic survey over the property (Paul 2014)<sup>14</sup> and in 2015 Rogue completed a helicopter-borne VLF-EM survey (Letourneau and Paul 2015)<sup>15</sup>. In 2016, Rogue completed reconnaissance mapping, sampling and prospecting in an attempt to determine the extent of the quartzite band (Beauregard and Gaudreault 2016)<sup>16</sup>. Rogue identified several structures and delineated the extent of the quartzite units in some detail; however, Rogue noted that further exploration is required to determine potential extensions of the quartzite. No information about Rogue’s exploration on these claims was available after the report by Beauregard and Gaudreault (2016)<sup>17</sup>.

<sup>14</sup> Paul, Rejean. 2014. *Helicopter-borne magnetic geophysical survey, Baie-Saint-Paul, Quebec*. Assessment Report GM69341, Quebec Ministry of Energy and Natural Resources, 27 p., Rogue Resources Inc.

<sup>15</sup> Ibid

<sup>16</sup> Beauregard, A-J., and D. Gaudreault. 2016. *2016 Field Work Report on the Silicon Ridge Slica Property, Charlevoix Regional County Municipality, Quebec, Canada*. Assessment Report GM69665, 71 p., Quebec Ministry of Energy and Natural Resources.

<sup>17</sup> Ibid



The QPs have been unable to verify this information and the information is not necessarily indicative of the presence of quartzite on the property that is the subject of this report. The QPs distinguish between the information on the adjacent property and the information from the property that is the subject of this report.

Claims to the southwest of Rogue Resources' claims is held by Sitec Amérique du Nord. No detailed information about exploration on these claims was available.

### **Other Relevant Data and Information**

The Qualified Persons are not aware of any other relevant data, information or explanation that would make this report understandable and not misleading.

### **Interpretation and Conclusions**

A quartzite unit that was previously mapped (Gilbert, 1981<sup>18</sup>; Rondot, 1971<sup>19</sup>; Rondot, 1989<sup>20</sup>) and partly sampled (St.-Pierre and Wray 2017)<sup>21</sup> was investigated in a reconnaissance exploration program by Quebec Silica in September 2020. Quebec Silica confirmed the presence of the unit on three of its six claims. The quality of the quartzite was tested by collecting samples; however, given the lack of suitable outcrop, sampling concentrated on certain areas and was not possible along the entire anticipated trend of the quartzite.

The sampling results indicate a silica content of >98% SiO<sub>2</sub> of the quartzite. The main impurities are Al, Fe and K. The VLF-EM survey was successful in delineating resistive zones interpreted to be quartzite.

Based on the geology of the area and the preliminary exploration completed by Quebec Silica in 2020, the QPs conclude that there is potential for quartzite deposits on the Charlevoix property. In particular, the fold nose indicated on map MB 89-12 (Rondot, 1989<sup>22</sup>) and Figure 7-3 suggests a thickening of the quartzite layer and hence increased possibility of delineating economic widths of quartzite. The purity of the quartzite in the fold nose has not been determined due to a lack of outcrop.

No significant risks and uncertainties that could reasonably be expected to affect the reliability or confidence in the exploration information are noted other than that Quebec Silica's exploration was early-stage and reconnaissance in nature. The information collected is reliable. The impact associated with a reconnaissance program can be mitigated by executing a detailed exploration program ("Recommendations").

---

<sup>18</sup> Ibid

<sup>19</sup> Ibid

<sup>20</sup> Rondot, J. 1989. *Geologie de Charlevoix: Introduction et Precambrien (Volume I, chap. I a IX)*. MB 89-21, 607 p., Quebec Ministry of Energy and Natural Resources.

<sup>21</sup> St.-Pierre, Martin, and N. Wray. 2017. *Exploration Report (Winter 2017 sampling program) on the Charlevoix Property*.

Assessment Report GM70552, Quebec Ministry of Energy and Natural Resources, 28 p., MacDonald Mines Exploration Ltd.

<sup>22</sup> Ibid

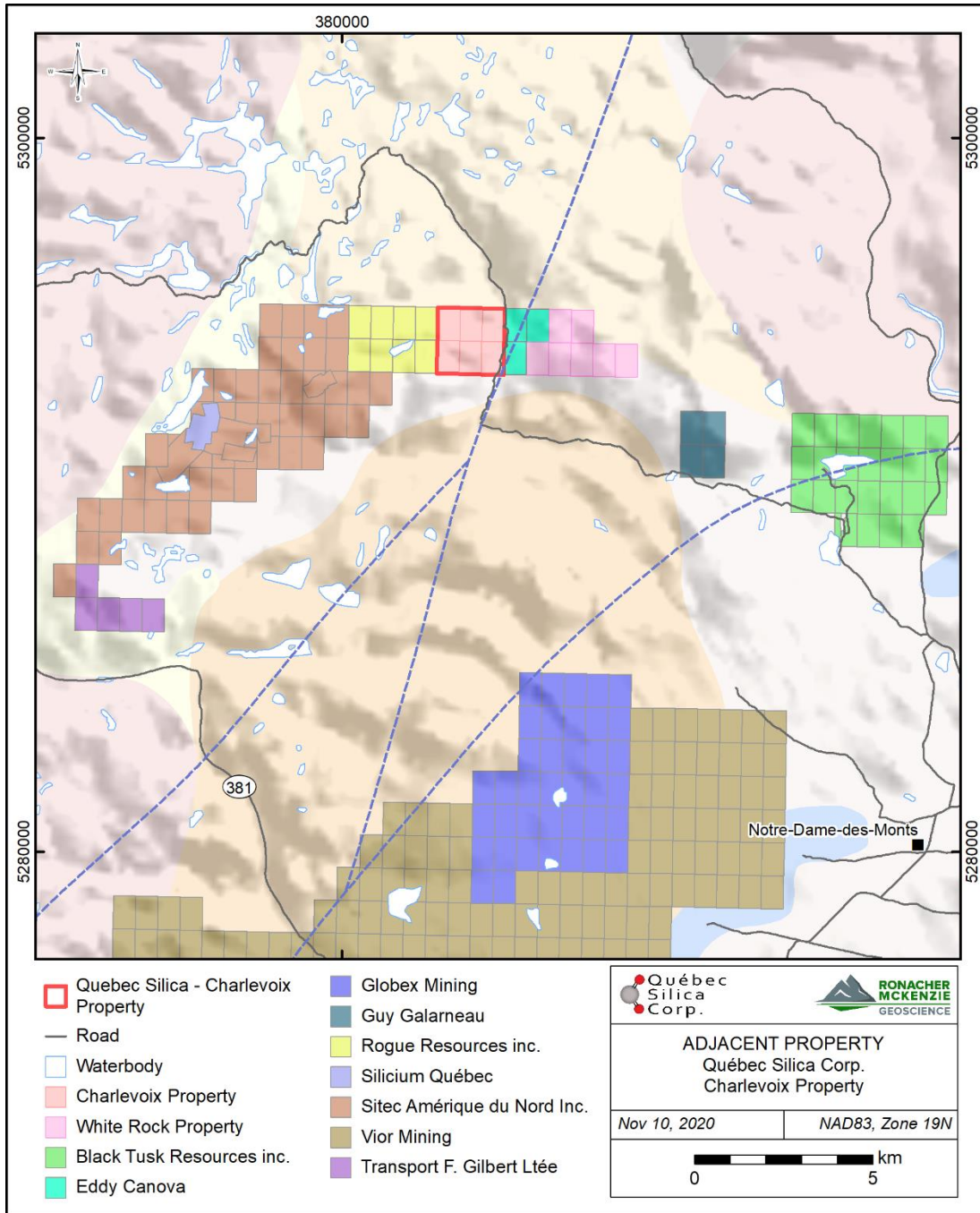


Figure 17-1: Map showing the locations of adjacent properties.

## Recommendations

Quebec Silica completed a reconnaissance exploration program on the Charlevoix property and further work is required to assess the property’s full potential. The 2020 field program showed that the property is covered by dense vegetation. Any future work should include extensive line cutting and stripping. The following program is recommended:

- Line cutting
- Mapping along the cut lines
- Additional VLF-EM in a grid to determine the lateral extent of the quartzite units
- Resistivity survey to determine highly resistive quartzite units and their depth extent
- Trenching where geophysical surveys delineate resistive units
- Sampling of stripped quartzite outcrops using a channel saw

Line cutting will be required for the geophysical survey and for mapping. The purpose of the geophysical surveys is to delineate the contact between the quartzite unit and the surrounding rocks and to determine the thickness of the quartzite.

It is recommended that the quartzite layer be stripped and sampled in detail to determine the purity and homogeneity of the quartzite. Sampling should occur along the entire length of the quartzite layer.

An exploration permit will be required for line cutting.

An estimated cost for this program is shown in Table 18-1.

It is recommended to add certified reference materials and blanks to the samples in order to be able to quantify any impurities accurately.

*Table 18-1: Estimated cost for the recommended exploration program.*

<b>Item</b>	<b>Unit</b>	<b>No of Units</b>	<b>Cost/Unit</b>	<b>Total Cost</b>
Line Cutting	km	35	\$850	\$29,750
Mapping	day	10	\$1,000	\$10,000
VLF-EM	line km	35	\$250	\$8,750
Resistivity	line km	5	\$1,000	\$5,000
Trenching				\$15,000
Sampling	day	10	\$1,000	\$10,000
Sample analysis	sample	400	\$50	\$20,000
Transportation				\$3,000
Accommodation/Meals				\$4,000
<b>TOTAL</b>				<b>\$105,500</b>

## **USE OF AVAILABLE FUNDS**

### **Funds Available and Principal Purposes**

It is anticipated that the Company will have available funds of approximately \$817,000, based on the current assets and cash position as of February 28, 2021.

Upon the Listing, the principal purposes for the foregoing available funds are anticipated to be as follows:

<b>Principal Purposes</b>	<b>Funds (\$)</b>
General and administrative costs <sup>(1)</sup>	150,000
Exploration Program expenditures on the Property <sup>(2)</sup>	105,500
Phase 2 Drill Program on the Property	300,000
Estimated expense for listing on the CSE	90,000
<b>Unallocated funds (unaudited)</b>	<b>171,500</b>
<b>Total use of available funds</b>	<b>817,000</b>

**Notes:**

- (1) This figure is for a forecasted period of 12 months and is comprised of office and administrative expenses in the amount of: (i) \$24,000 of consulting fees to the CEO and CFO (\$12,000 each); (ii) \$66,000 of office and administrative costs, including office space use, office services and filing fees; and (iii) \$60,000 of professional fees, including accounting, audit and legal.
- (2) See "Property Description and Location – Recommendations".

It is anticipated that the Company will have sufficient cash available upon Listing, to execute its Exploration Program and business objectives and milestones set out below and to pay its operating and administrative costs for at least twelve months after the completion of the Listing.

Unallocated funds will be deposited in the Company's bank account and added to the working capital of the Company. The CFO of the Company will be responsible for the supervision of all financial assets of the Company. Based on the Company's cash flow requirements, management will determine the appropriate level of liquidity required for operations and will draw down such funds as necessary.

There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

The Company had negative cash flow from operating activities for the financial year ended September 30, 2020. The Company cannot guarantee it will have a cash flow positive status from operating activities in future periods. As a result, the Company continues to rely on the issuance of securities or other sources of financing to generate sufficient funds to fund its working capital requirements and for corporate expenditures. The Company may continue to have negative cash flow from operating activities until sufficient levels of sales are achieved. To the extent that the Company has negative cash flow from operating activities in future periods, the Company may need to use a portion of proceeds from any offering to fund such negative cash flow. See "Risk Factors –Negative Cash Flow".

**Business Objectives and Milestones**

The Company's sole intended business objective and milestone following the Listing is to complete the Exploration Program on the Property, as described herein. Based upon the recommendations of the Author in the Technical Report, the Company intends to commence work on the Exploration Program within 3 months following the Listing Date, contingent upon satisfactory weather conditions. The Exploration Program is expected to be completed within approximately two to four months of commencement. The Company intends to complete the foregoing business objective in the forthcoming 12 month period.

There are certain events that must occur to complete the Exploration Program on the Property: (i) line cutting, which will take approximately one week and cost approximately \$29,750, (ii) mapping along the cut lines which will take approximately 10 days and cost approximately \$10,000, (iii) additional VLF-EM in a grid to determine

the lateral extent of the quartzite units which will take approximately one week and cost approximately \$8,750, (iv) resistivity survey to determine highly resistive quartzite units and their depth extent which will take approximately one week and cost approximately \$5,000, (v) trenching where geophysical surveys delineate resistive units which will take approximately 2 weeks and cost approximately \$15,000 and (vi) sampling and sample analysis of stripped quartzite outcrops using a channel saw which will take approximately 2 weeks and cost approximately \$23,000.

The Company has allocated \$300,000 for a Phase 2 Drill Program on the Property, the details of which will be determined upon the completion of the Phase 1 Exploration Program. Raymond Wladichuk, the Company's CEO, and a Qualified Person, will be responsible for the Phase 2 Drill Program.

The Company will be required to obtain to an exploration permit to carry out line cutting on the Property. Exploration permits of this type are routinely granted in the area in which the Property is situated. The Company does not anticipate that obtaining the permit will impact the overall timing of the Exploration Program. The cost of obtaining the exploration permit is included in the existing budget for the Exploration Program.

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

The Company may incur additional expenses or delays due to capital market uncertainty and business disruptions caused by the Covid-19 global pandemic. The future impact of the outbreak is highly uncertain and cannot be predicted. There can be no assurance that such disruptions, delays and expenses will not have a material adverse impact on our business objectives and milestones over the next 12 months. See "Risk Factors".

## **DIVIDENDS OR DISTRIBUTIONS**

### **Dividends**

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

## **SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **Selected Financial Information**

The following selected financial information has been derived from and is qualified in its entirety by the financial statements of the Company for the three month period ended December 31, 2020 (unaudited) and the years ended September 30, 2020 and 2019 (audited) and notes thereto included in this Prospectus, and should be read in conjunction with such financial statements and the related notes thereto included in Schedule A of this Prospectus. All financial statements of the Company are prepared in accordance with International Financial Reporting Standards.

All amounts referred to as being derived from the financial statements of the Company are denoted in Canadian Dollars.

	As at and for the three months ended December 31, 2020 (unaudited) (\$)	As at and for the year ended September 30, 2020 (audited) (\$)	As at and for the year ended September 30, 2019 (audited) (\$)
Total Assets	\$870,329	\$738,398	\$42,958
Total Liabilities	\$23,815	\$221,743	\$20,331
Total Equity	<b>\$846,514</b>	<b>\$516,655</b>	<b>\$22,627</b>
Revenue	-	-	-
Net Loss and Comprehensive Loss for the Period	\$24,200	\$131,564	\$70,416

As an exploration stage company, the Company has not generated revenue from its property interest and does not anticipate it will do so for the foreseeable future. The Company has recently acquired the Property and Management anticipates that expenses related to mineral exploration and administration of the Company will materially increase following closing of the Listing. Management anticipates that such expenses will include increased exploration expenditures with respect to the Property and increased professional fees, and other costs associated with compliance with applicable securities laws following closing of the Listing.

### Management's Discussion and Analysis

As reflected in the Company's financial statements, the Company has not carried on any active business other than: (i) the raising of funds for the purpose of identifying and evaluating assets, properties or businesses with a view to acquiring or participating therein; and (ii) the review and analysis of various business opportunities. As such, its principal asset is cash, and its expenses are primarily for costs of raising capital, professional fees, and investigating business opportunities.

#### *Fiscal year ended September 30, 2020 and 2019*

For the year ended September 30, 2020, the Company reported a loss of \$131,564 compared to a loss of \$70,416 for the year ended September 30, 2019. The Company's loss per share was \$0.03 (2019 - \$0.02).

The significant expenses incurred were as follows:

- \$102,161 (2019 - \$nil) of pre-exploration and exploration expenditures. In August 2020, the Company entered into an agreement with Macdonald Mines Exploration Ltd. for the purchase of 6 mineral claims, referred to as the Charlevoix Properties, covering an estimated 346.95 hectares located in south-western Quebec, Canada. The Company carried out an initial sampling, mapping and VLF-EM geophysical survey on the Charlevoix Properties during the year.
- \$27,694 (2019 - \$23,506) of professional fees comprised of \$15,000 (2019 - \$nil) for accounting and audit fees, and \$12,694 (2019 - \$23,506) incurred for legal fees. Legal fees were greater in 2019 principally as a result of work associated with business opportunities investigated by the Company.

- \$nil (2019 - \$8,422) of travel and promotion costs. The Company incurred these travel and promotion costs in 2019 for the purposes of identifying new business opportunities.
- \$nil (2019 - \$37,500) of management fees. The Company incurred these management fees in 2019 for the purposes of identifying new business opportunities.

### ***Three months ended December 31, 2020***

For the three months ended December 31, 2020, the Company reported a loss of \$24,200 compared to a loss of \$8,237 for the three months ended December 31, 2019. The Company's loss per share was \$0.00 (2019 - \$0.00).

The significant expenses incurred were as follows:

- \$5,337 (2019 - \$nil) of pre-exploration and exploration expenditures on the Charlevoix Properties. These expenditures were incurred for technical report writing.
- \$4,206 (2019 - \$7,449) of professional fees comprised of \$nil (2019 - \$nil) for accounting and audit fees, and \$4,206 (2019 - \$7,449) incurred for legal fees. Legal fees were greater in 2019 principally as a result of work associated with business opportunities investigated by the Company.
- \$12,500 (2019 - \$nil) of consulting fees. The Company incurred these fees for the purposes of corporate advisory services.

## **Financial Condition, Liquidity and Capital Resources**

### ***Fiscal year ended September 30, 2020***

The Company's working capital position as at September 30, 2020 was \$516,655 compared to \$22,627 at September 30, 2019.

Sources of cash during the year ended September 30, 2020 were 1) \$568,405 of net proceeds from the issuance of 12,700,000 special warrants; 2) \$99,877 net proceeds from the issuance of 4,500,000 common shares; and 3) \$73,000 from subscriptions received for the issuance of special warrants.

Uses of cash during the year ended September 30, 2020 were \$53,342 on operating activities.

### ***Three months ended December 31, 2020***

The Company's working capital position at December 31, 2020 was \$846,514 compared to \$516,655 at September 30, 2020.

Sources of cash during the three months ended December 31, 2020 were \$282,000 (\$355,000 net of \$73,000 subscriptions received up to September 30, 2020) of gross proceeds from the issuance of 7,100,000 special warrants less \$43,631 of issue costs.

Uses of cash during the three months ended December 31, 2020 were \$105,353 on operating activities.

## **Risk Management and Financial Risks**

### *COVID-19*

During the first quarter of calendar 2020, there was a global outbreak of a novel coronavirus identified as “COVID-19”. On March 11, 2020, the World Health Organization declared a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets.

Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

### *Capital Management*

The Company’s capital currently consists of common shares and special warrants and its principal source of cash is from the issuance of common shares and special warrants. The Company’s capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to acquire and explore mineral property assets. The Company does not have any externally imposed capital requirements to which it is subject. 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 or special warrants.

As the Company’s mineral property is in the exploration stage, the Company is dependent on external financing to fund its activities. In order to carry out its operations, the Company will spend its existing working capital and raise additional amounts as needed.

### *Financial Risks*

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

#### *Liquidity Risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2020, the Company had current assets of \$738,398 (September 30, 2019 - \$42,958) to settle current liabilities of \$221,743 (September 30, 2019 - \$20,331).

As at December 31, 2020, the Company had current assets of \$870,329 to settle current liabilities of \$23,815.

#### *Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company’s cash is exposed to credit risk, with the carrying value being the



Company's maximum exposure. The Company's cash consists of funds held at a Canadian chartered bank and in trust with the Company's corporate lawyer. Management believes the Company's exposure to credit risk is minimal.

The MD&A of the Company should be read in conjunction with the respective financial statements and the accompanying notes thereto included in this Prospectus. Certain information contained in the MD&A constitutes forward-looking statements. These statements relate to future events or to our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward looking statements. See "Forward-Looking Information" and "Risk Factors".

### **Related Party Transactions**

The following is a summary of the related party transactions that occurred during the years ended September 30, 2020 and 2019.

a) Compensation of key management personnel

The Company has determined that key management personnel consist of its Directors, the CEO and CFO.

During the years ended September 30, 2020 and 2019, Bhupendra Batra, the former President was paid \$nil (2019 - \$37,500) for management fees. Also, key management personnel were not paid post-employment benefits, termination benefits, or other long-term benefits during these periods.

b) Other related party transactions

During the year ended September 30, 2020, the Company incurred \$91,123 (2019 - \$nil) of exploration expenditures to Waldo Sciences Inc., a company wholly owned by Raymond Wladichuk, a director of the Company. As at September 30, 2020, \$6,123 (2019 - \$nil) of this amount is included in trade and other payables.

The following is a summary of the related party transactions that occurred during the three months ended December 31, 2020 and 2019.

Compensation of key management personnel

The Company has determined that key management personnel consist of its Directors, the CEO and CFO.

Key management personnel were not paid any compensation during the three months ended December 31, 2020 and 2019. Also, key management personnel were not paid post-employment benefits, termination benefits, or other long-term benefits during these periods.

## DESCRIPTION OF SECURITIES

### Common Shares

The Company's authorized capital consists of an unlimited number of Common Shares of which, 29,549,001 Common Shares are issued and outstanding as at the date of this Prospectus as fully paid and non-assessable. Holders of the Common Shares are entitled to vote at all meetings of the holders of the Common Shares, to receive any dividend declared by the Company 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 our 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

On August 28, 2018, the Company closed the 2018 SW Private Placement and issued 685,000 2018 Special Warrants.

Between September 23, 2020 and November 3, 2020, the Company closed, in three tranches, the 2020 SW Private Placement and issued an aggregate of 19,800,000 2020 Special Warrants.

As of the Special Warrant Exercise Date, the 2018 Special Warrants will automatically convert pursuant to the automatic conversion provision of the 2018 Special Warrants.

On January 23, 2021, 12,700,000 2020 Special Warrants converted at no additional cost into 12,700,000 Common Shares and 6,350,000 Warrants. On February 19, 2021, 6,500,000 2020 Special Warrants converted at no additional cost into 6,500,000 Common Shares and 3,250,000 Warrants. On March 3, 2021, 600,000 2020 Special Warrants converted at no additional cost into 600,000 Common Shares and 300,000 Warrants.

Upon conversion of the 2018 Special Warrants, holders of which are 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.

### Warrants

Between September 23, 2020 and November 3, 2020, the Company closed, in three tranches, the 2020 SW Private Placement. Upon conversion of the 2020 Special Warrants 9,900,000 Warrants will be issued to the holders of the 2020 Special Warrants. Each Warrant entitles the holder thereof to acquire one Warrant Share, at an exercise price of \$0.10 per share, exercisable for 24 months from the date of conversion of the 2020 Special Warrants.

On January 23, 2021, 12,700,000 2020 Special Warrants converted at no additional resulting in the issuance of 6,350,000 Warrants. On February 19, 2021, 6,500,000 2020 Special Warrants converted at no additional resulting in the issuance of 3,250,000 Warrants. On March 3, 2021, the 600,000 2020 Special Warrants converted resulting in the issuance of 300,000 Warrants.

Upon conversion of the Warrants into Warrant Shares, holders are 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.

In connection with the closing of the 2020 SW Private Placement, the Company issued 899,000 2020 SW Finder's Warrants in connection with the closing of the 2020 SW Private Placement. Each 2020 SW Finder's Warrant entitles the holder thereof to acquire one Common Share, at an exercise price of \$0.05 per share, exercisable for a period of 24 months from the date of issuance.

### Options

The Board has approved an Option Plan, designed for selected employees, officers, directors, consultants and contractors, to incentivize such individuals to contribute toward our long-term goals, and to encourage such individuals to acquire Common Shares as long-term investments. The Option Plan is administered by the Board and while no Options have been granted as of the date of this Prospectus, the Company has allocated and intends to grant 2,600,000 Options to certain directors, officers, employees and consultants of the Company, concurrent with the Special Warrant Exercise Date, with each Option convertible into a Common Share of the Company at a price of \$0.10 per Common Share. The terms of any award are determined by the Board, provided that no options may be granted with an exercise price lower than the greater of the closing market prices of the Common Shares on (a) the trading day prior to the date of grant of the stock options, and (b) the date of grant of the stock options. As of the date of this Prospectus, there are no outstanding options to purchase Common Shares under the Option Plan, however, the Company has allocated an aggregate of 2,600,000 stock options to be granted to directors and officers concurrent with the Special Warrant Exercise Date. See "Options to Purchase Securities".

### 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, 2020	Outstanding as at September 30, 2020 <sup>(1)</sup>	Outstanding as at the date of this Prospectus <sup>(1)(2)</sup>	Outstanding upon conversion of special warrants
Common Shares	Unlimited	8,749,001	7,850,001	29,549,001	30,234,001 <sup>(3)</sup>

(1) See "Prior Sales".

(2) On an undiluted basis.

(3) Includes the conversion of the 685,000 2018 Special Warrants.

### Fully Diluted Share Capitalization

Common Shares	Amount of Securities	Percentage of Total
Issued and outstanding as at the date of this Prospectus	29,549,001	67.39%
Common Shares reserved for issuance upon conversion of 2018 Special Warrants	685,000	1.56%
Common Shares reserved for issuance upon exercise of 2018 Compensation Warrants	213,500	0.49%

<b>Common Shares</b>	<b>Amount of Securities</b>	<b>Percentage of Total</b>
Common Shares reserved for issuance upon exercise of Warrants	9,900,000	22.58%
Common Shares reserved for issuance upon exercise of 2020 SW Finder's Warrants	899,000	2.05%
Common Shares reserved for issuance upon exercise of Options <sup>(1)</sup>	2,600,000	5.93%
<b>Total Fully Diluted Share Capitalization after the Listing</b>	<b>43,846,501</b>	<b>100%</b>

(1) The stock options are allocated and will be granted concurrent with the Special Warrant Exercise Date.

## OPTIONS TO PURCHASE SECURITIES

### Outstanding Options

While no Options have been granted as of the date of this Prospectus, the Company has allocated and intends to grant 2,600,000 Options to certain directors, officers, employees and consultants of the Company, concurrent with the Special Warrant Exercise Date.

The following are the options which are intended to be granted concurrent with the Special Warrant Exercise Date:

<b>Optionee</b>	<b>Number of Common Shares under Option</b>	<b>Exercise Price per Common Share</b>	<b>Expiry Date</b>
Executive Officers as a group <sup>(1)</sup>	600,000	\$0.10	2 years after grant date
Directors as a group <sup>(2)</sup>	250,000	\$0.10	2 years after grant date
Consultants as a group	1,750,000	\$0.10	2 years after grant date
<b>Total</b>	<b>2,600,000</b>		

(1) This information applies to executive officers of the Company including those who are also directors of the Company.

(2) Directors who are also executive officers are excluded from this figure.

### Option Plan

The Option Plan was adopted by the Board on December 29, 2020. The purpose of the Option Plan is to advance the interests of the Company and its shareholders by attracting, retaining and motivating the performance of selected directors, officers, employees or consultants of the Company of high caliber and potential and to encourage and enable such persons to acquire and retain a proprietary interest in the Company by ownership of its Common Shares. The Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance, set aside and made available for issuance under the Option Plan may not exceed 10% of the number of Common Shares of the Company issued and outstanding from time to time.

The Option Plan will be administered by the Board or a committee of the Board, either of which will have full and final authority with respect to the granting of all Options thereunder. Options may be granted under the Option Plan

to such directors, officers, employees or consultants of the Company, as the Board may from time to time designate.

The exercise price of any Options granted under the Option Plan shall be determined by the Board, but may not have an exercise price lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the Options; and (b) the date of grant of the Options. The term of any Options granted under the Option Plan shall be determined by the Board at the time of grant but, subject to earlier termination in the event of termination or in the event of death, the term of any Options granted under the Option Plan may not exceed ten years. Options granted under the Option Plan are not to be transferable or assignable. Subject to certain exceptions, in the event that a director or officer ceases to hold office, options granted to such director or officer under the Option Plan will expire 60 days after such director or officer ceases to hold office. Subject to certain exceptions, in the event that an employee, or consultant ceases to act in that capacity in relation to the Company, Options granted to such employee, consultant or management company employee under the Option Plan will expire 60 days after such individual or entity ceases to act in that capacity in relation to the Company.

### PRIOR SALES

The following table summarizes the sale of securities of the Company in the 12 months prior to the date of this Prospectus:

Date of Issue	Price per Security	Number of Securities
August 28, 2020	\$0.025	3,400,000 FT Shares
August 28, 2020	\$0.025	1,100,000 NFT Shares
September 23, 2020	n/a <sup>(1)</sup>	60,000 2020 SW Finder's Warrants
September 23, 2020	\$0.05	12,700,000 2020 Special Warrants <sup>(2)</sup>
October 19, 2020	n/a <sup>(1)</sup>	839,000 2020 SW Finder's Warrants
October 19, 2020	\$0.05 <sup>(3)</sup>	899,000 2020 SW Finder's Shares
October 19, 2020	\$0.05	6,500,000 2020 Special Warrants <sup>(4)</sup>
November 3, 2020	\$0.05	600,000 2020 Special Warrants <sup>(5)</sup>
February 2, 2021	\$0.05 <sup>(3)</sup>	1,000,000 Common Shares

(1) The 2020 SW Finder's Warrants are convertible into Common Shares at a price of \$0.05 per 2020 SW Finder's Warrant.

(2) On January 24, 2021, 12,700,000 2020 Special Warrants converted automatically into 12,700,000 Common Shares at no additional cost to the holder and 6,350,000 Warrants.

(3) Deemed price.

(4) On February 19, 2021, 6,500,000 2020 Special Warrants converted automatically into 6,500,000 Common Shares at no additional cost to the holder and 3,250,000 Warrants.

(5) On March 3, 2021, 600,000 2020 Special Warrants converted automatically into 600,000 Common Shares at no additional cost to the holder and 300,000 Warrants.

### ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As at the date of this Prospectus, the Common Shares subject to contractual restriction and escrow are as shown in the following table:

Name	Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer <sup>(1)</sup>	Percentage of class <sup>(2)</sup>	Number of Shares held after conversion of special warrants	Percent of class held after conversion of special warrants (fully diluted) <sup>(3)</sup>
Elyssia Patterson	Common Shares	1,000,000	3.38%	1,000,000 <sup>(5)</sup>	2.28%
Raymond Wladichuk	Common Shares	1,200,000 <sup>(4)</sup>	4.06%	1,200,000 <sup>(5)</sup>	2.74%
Aeron Kawakami	Common Shares	200,000	0.68%	200,000 <sup>(5)</sup>	0.46%

**Notes:**

- (1) These Common Shares are held under the Escrow Agreements in accordance with NP 46-201. The escrow agent is Endeavour Trust Corporation.
- (2) Based on 29,549,001 Common Shares issued and outstanding as at the date of this Prospectus.
- (3) Based on 43,846,501 Common Shares issued and outstanding on a fully diluted basis.
- (4) Includes 100,000 Common Shares registered in the name of Waldo Sciences Inc., a company which is wholly-owned by Mr. Wladichuk.
- (5) These Shares resulted from the conversion of special warrants prior to the filing of this prospectus.

### Escrow Agreements

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. The Company does not expect to become an established issuer within 18 months of the Listing Date.

Pursuant to the terms of the Escrow Agreement, 2,400,000 Common Shares will be held in escrow on the Listing Date.

### PRINCIPAL SECURITYHOLDERS

To the best knowledge of the directors and officers of the Company, no person directly or indirectly beneficially owns, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attaching to all the outstanding Common Shares as at the date of this Prospectus.

### 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 for the Past Five Years	Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly <sup>(1)</sup>
<b>Raymond E. Wladichuk</b> Vernon, British Columbia Chief Executive Officer and Director	September 17, 2020	Geoscience Consultant	1,200,000 <sup>(2)</sup> (4.06%)
<b>Elyssia Patterson</b> Vancouver, British Columbia Chief Financial Officer	June 4, 2019	Business consultant to public and private companies	1,000,000 (3.38%)
<b>Aeron Kawakami</b> Vancouver, British Columbia Director	September 17, 2020	Financial Analyst	200,000 (0.77%)
<b>Ming Jang</b> Vancouver, British Columbia Director	November 3, 2020	President of MJJ & Associates Consulting Ltd.	Nil (0%)

**Notes:**

- (1) Percentage is based on 29,549,001 Common Shares issued and outstanding as of the date of this Prospectus.
- (2) Includes 100,000 Common Shares, registered in the name of Waldo Sciences Inc., a company which is wholly-owned by Mr. Wladichuk.

The term of office of the directors expires annually at the time of the Company's next annual general meeting. 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 2,400,000 Common Shares of the Company, which is equal to 8.12% of the Common Shares issued and outstanding as at the date hereof.

## **Background**

The following is a brief description of each of the directors and executive officers of the Company, including their names, 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:

### **Raymond Wladichuk, P.Geo, B.Sc., GDBA, ATAg – Chief Executive Officer and Director (Age: 33)**

Mr. Wladichuk, a British Columbia registered Professional Geoscientist, is a technical and managerial consultant in the natural resource, engineering, and construction industries. He has held executive and director positions for a number of publicly-traded exploration companies. He is the principal of Waldo Sciences Inc., a science and engineering consulting company, headquartered in the North Okanagan, BC, Canada. He holds a Bachelor of Science in earth sciences and a graduate diploma in business administration from Simon Fraser University.

As the CEO of the Company, Mr. Wladichuk 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 CFO and with outside accounting and tax and auditing firms. Mr. Wladichuk anticipates devoting approximately 50% of his working time to the Company.

### **Elyssia Patterson, BA, MBA – Chief Financial Officer (Age: 34)**

Ms. Patterson has been involved with charity fundraising and sponsorship activities for the past 10 years. Ms. Patterson has been instrumental in the development of online processing of private placement documents using available exemptions from prospectus requirements in Canada. Presently, Ms. Patterson is CEO of Urbane Capital Corp., focused on Corporate Communication and Marketing activities including coordinating investor relations and advancing general corporate development of public companies. She holds a Bachelor of Communications from Simon Fraser University and an MBA from Queensland University of Technology.

As CFO, Ms. Patterson is responsible for coordination of the financial operations of the Company in conjunction with the Chief Executive Office and with outside accounting, tax and auditing firms. Ms. Patterson anticipates devoting approximately 50% of her working time to the Company.

### **Aeron Kawakami – Director (Age: 35)**

Mr. Kawakami is a financial analyst with experience in the investment, technology and exploration industries, and has previously held the positions of CFO and Director with Kal Minerals Corp. (now Tarachi Gold Corp.). He holds a Bachelor's degree in Finance from Simon Fraser University.

Mr. Kawakami anticipates devoting approximately 10% of his working time to the Company.



**Ming Jang, CPA, CGA - Director (Age: 59)**

Mr. Jang is a professional accountant with 25 years of senior financial management experience in various sectors, including cannabis, nonprofit organizations and mining. He currently serves as a financial consultant to various private and publicly listed companies. Mr. Jang has planned and executed taking several companies public including most recently Numinus Wellness Inc. and Ignite International Brands Ltd. He drives robust financial management and the set-up, implementation, and oversight of financial and regulatory processes.

Mr. Jang anticipates devoting approximately 10% of his working time to 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, CEO or CFO of any company, including the Company, that:

- (a) 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, CEO or CFO; or
- (b) 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, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

**Penalties or Sanctions**

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:

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

- (a) 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

- (b) 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, and other than as disclosed herein, 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. Some of 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 year ended September 30, 2020, the Company's most recently completed financial year. Accordingly, and in accordance with Form 51-102F6V Statement of Executive Compensation ("**Form 51-102F6V**"), 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 CEO, each CFO and each of the Company's three most highly compensated executive officers, other than the CEO and the CFO, who were serving as executive officers as at the end of the Company's most recently completed financial year ended September 30, 2020 and whose total salary and bonus 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.

<p><b>Table of compensation excluding compensation securities</b></p>
-----------------------------------------------------------------------

Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Raymond Wladichuk CEO	2021	12,000 <sup>(1)(2)</sup>	Nil	Nil	Nil	Nil	12,000 <sup>(2)(3)</sup>
	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Elyssia Patterson CFO	2021	12,000 <sup>(1)(2)</sup>	Nil	Nil	Nil	Nil	12,000 <sup>(2)</sup>
	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil

(1) Once deemed a reporting issuer, the Board has authorized a payment of consulting fees in the amount of \$12,000 during the 2021 year end.

(2) This amount does not include any other compensation not yet authorized or determined.

(3) This figure excludes compensation paid to Waldo Sciences, a wholly-owned Company of Mr. Wladichuk, on account of certain consulting expenses incurred in the development of the Property, which were incurred prior to the appointment of Mr. Wladichuk as CEO of the Company.

### 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. With a view to minimizing its cash expenditures not directed at the exploration of the Property, the emphasis in compensating the Named Executive Officers shall be the grant of incentive Options under the Option Plan set forth below, however, during the next 12 months, once the Company becomes a reporting issuer, the Board has approved the payment of consulting fees in the amount of \$12,000, to each of the Chief Executive Officer and Chief Financial Officer. The type and amount of future compensation to be paid to NEOs and directors has not been determined and the Board has not considered the implications of the risks associated with the compensation policies and practices. The Company has not considered the implications of the risks associated with the Company's compensation policies and practices. Neither NEOs nor directors are permitted to purchase financial instruments that are designed to hedge or offset a decrease in the market value of equity securities offered as compensation.

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

### Option Based Awards and Other Compensation Securities

On December 29, 2020, the Company implemented the Option Plan in order to provide effective incentives to directors, officers and employees of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company's shareholders. The Company has no equity incentive plans other than the Option Plan. The size of Option grants is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long-term contribution to the Company will be key to its long-term success.

While no Options have been granted as of the date of this Prospectus, the Company has allocated and intends to grant 2,600,000 Options to certain directors, officers, employees and consultants of the Company, concurrent with the Special Warrant Exercise Date. Options allocated to directors and officers are as follows:

<b>Compensation Securities</b>				
<b>Name and Position</b>	<b>Type of compensation security</b>	<b>Number of compensation securities and percentage of class</b>	<b>Issue conversion of exercise price</b>	<b>Expiry Date</b>
Raymond E. Wladichuk <i>Chief Executive Officer and Director</i>	Options	300,000 (11.54%) <sup>1</sup>	\$0.10	2 years after grant date
Elyssia Patterson <i>Chief Financial Officer</i>	Options	300,000 (11.54%) <sup>1</sup>	\$0.10	2 years after grant date
Aeron Kawakami <i>Director</i>	Options	125,000 (4.81%) <sup>1</sup>	\$0.10	2 years after grant date
Ming Jang <i>Director</i>	Options	125,000 (4.81%) <sup>1</sup>	\$0.10	2 years after grant date

Notes:

1. This percentage is calculated based on the class of securities, namely, the total options that will be granted.

### **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 a NEO's 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 Options and reimbursement of expenses incurred by such persons acting as directors of the Company.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

### Aggregate Indebtedness

Other than as disclosed herein and 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 as disclosed herein, or 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. Ming Jang is the chair of the audit committee.

### Audit Committee Charter

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

### Composition of Audit Committee

The members of the Company's Audit Committee are:

Aeron Kawakami	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Ming Jang	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Raymond Wladichuk	Not independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

- (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.
- (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.

For a summary of the experience and education of the Audit Committee members see "Directors and Executive Officers".

### **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.

### **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 Company's external audit fees for the period ended September 30, 2019 were \$nil and were \$15,000 for the year ended September 30, 2020.

### **Exemption**

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 of NI 52-110 (De Minimis Non-audit Services).

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 three directors: Raymond Wladichuk, Aeron Kawakami and Ming Jang. 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.

Raymond Wladichuk is not independent as he is the CEO of the Company.

### Directorships

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

Name	Position	Directorships
Raymond Wladichuk	Director CEO	Snowy Owl Gold Corp. (CSE)
Elyssia Patterson	CFO	VLCTY Capital Corp. (TSXV) Snowy Owl Gold Corp. (CSE)
Aeron Kawakami	Director	N/A
Ming Jang	CFO	Intigold Mines Ltd. (TSXV) Canadian Imperial Ventures Corp (TSXV)
	Director	Quebec Nickel Corp. (pending CSE) Spectrum Digital Holdings Inc.

### 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 is being filed in the province of British Columbia to qualify the Company as a reporting issuer in British Columbia. There is no distribution or offering being made pursuant to this Prospectus. The Company has applied to list the Common Shares on the CSE. The listing of the Common Shares will be subject to the Company fulfilling all of the listing requirements of the CSE, which cannot be guaranteed.

As at the date of this Prospectus, Quebec Silica 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 other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

## **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 of the securities offered hereunder involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities offered



hereunder should not constitute a 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 investors should evaluate carefully the following risk factors associated with an investment in the Company's securities prior to purchasing any of the securities offered hereunder.

### **Limited Operating History**

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties optioned by the Company. There is no guarantee that economic quantities of mineral reserves will be discovered on the Property by the Company in the near future or at all. If the Company does not generate revenue, it may be unable to sustain its operations in which case it may become insolvent and you may lose your investment.

### **Dilution**

Common Shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into Common Shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company will issue additional Common Shares from time to time pursuant to the options to purchase Common Shares issued from time to time by the Board. The issuance of these Common Shares will result in dilution to holders of Common Shares.

### **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.

### **Acquisition of Additional Mineral Properties**

If the Company abandons the exploration and development of 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.

### **Mineral Deposits**

The Property is in the exploration stage only and is without a known mineral deposits. Development of this 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.

### **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 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.

### **Loss of Interest in Properties**

The Company's ability to maintain an interest in the properties owned by the Company will be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Issuer being unable to make the periodic payments required to keep the Property in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the properties transferred to or optioned by the Company.

Failure to obtain additional financing may result in the Company being unable to complete the required work required to keep the Property interests in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the Property.

### **Aboriginal Title**

The Property or other properties owned or optioned by the Company may in the future be the subject of First Nations land claims. 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 properties optioned or owned by the Company 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 properties optioned or purchased by the Company are 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 properties optioned or owned by the Company. The Supreme Court of Canada's recent decision in *Tilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared Aboriginal title to lands outside of a reserve. The Company is not aware of any Aboriginal land claims having been asserted or any legal actions relating to first nation issues having been instutted with respect to any of the land which is covered by the Property.

### **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 minerals, 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 the commodities discovered, if any. Commodity prices have fluctuated widely, particularly in recent years. 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.

### **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.

### **Financing Risks**

The Company has no history of significant 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. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the property owned by the Company, there is no assurance that any such funds will be available. At present it is impossible to determine what amounts of additional funds, if any, may be required.

### **Negative Cash Flows From Operations**

For the year ended September 30, 2020, the Company sustained net losses from operations and had negative cash flow from operating activities of \$53,342. The Company continues to have negative operating cash flow. It is highly likely the Company may have negative cash flow in any future period and as a result, the Company will need to use available cash, including proceeds 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 purchased would be diminished.

### **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 creating revenues, cash flows or earnings. 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 initial purchase price.

## **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 *Business Corporations Act* (British Columbia). 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;
- 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.

## **Public Health Crises**

### **COVID-19 Outbreak**

In December 2019, COVID-19 emerged in Wuhan, China. Since then, it has spread to several other countries and infections have been reported around the world. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. In response to the outbreak, governmental authorities in Canada and internationally have introduced various recommendations and measures to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing. The COVID-19 outbreak and the response of governmental authorities to try to limit it are having a significant impact on the private sector and individuals, including unprecedented business, employment and economic disruptions. The continued spread of COVID-19 nationally and globally could have an adverse impact on our business, operations and financial results, including but not limited to, our ability to complete our exploration program in a timely manner. In response to the COVID-19 pandemic, the Company has implemented precautionary measures at its corporate office, including limiting visits to essential personnel and ensuring proper protocols around sanitation and social distancing.

The Company may be adversely affected by other public health crises and other events outside its control. Public health crises, such as epidemics and pandemics, acts of terrorism, war or other conflicts and other events outside of our control, may adversely impact the activities of the Company as well as operating results. In addition to the direct impact that such events could have on the Company's facilities and workforce, these types of events could negatively impact capital expenditures and overall economic activity in impacted regions or, depending on the severity of the event, globally, which could impact the demand for and prices of commodities. A prolonged continuance of a public health crisis could also have a material adverse effect on overall economic growth and impact the stability of the financial markets and availability of credit. Any of these developments could have a material adverse effect on the Company's business, financial position, liquidity and results of operations.

### **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**

Elyssia Patterson, one of the Company's officers, may be considered to be a Promoter of the Company in that she took the initiative in organizing the business of the Company. Ms. Patterson is the registered and beneficial owner of 1,000,000 Common Shares of the Company, which is equal to 2.28% of the Common Shares issued and outstanding as at the date hereof on a fully-diluted basis.

Other than as disclosed above, 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:

- (a) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority;
- (b) 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
- (c) 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 disclosed below, from incorporation on May 22, 2018 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).

From September 2, 2020 to September 14, 2020, the Company retained Waldo Sciences to complete an exploration program on the Property. Raymond Wladichuk is the owner and principal of Waldo. On September 17, 2020, subsequent to the completion of the exploration program, Raymond Wladichuk was appointed a director and CEO of the Company. Waldo Sciences received approximately \$91,000 for carrying out the exploration program on the Property described in the Prospectus. This amount includes amounts paid to various contractors and consultants who worked on the Property. This amount was prior to Mr. Wladichuk becoming a director or being appointed as CEO of the Company and was not paid on account of services that Mr. Wladichuk undertook as CEO, or in his capacity as a director.

### **AUDITORS**

The auditors of the Company are Baker Tilly WM LLP, having an address at 900 – 400 Burrard Street, Vancouver, BC, Canada V6C 3B7. Such firm is independent of the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

### **REGISTRAR AND TRANSFER AGENT**

The registrar and transfer agent of the Company is Endeavour Trust Corporation at its principal office at 777 Hornby Street, Suite 702, Vancouver, BC V6Z 1S4.

### **MATERIAL CONTRACTS**

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company from its incorporation to the date of this Prospectus:

1. The Purchase and Sale Agreement dated August 10, 2020;
2. The Amending Agreement dated November 26, 2020;
3. The Second Amending Agreement dated February 2, 2021; and
4. The Escrow Agreement dated March 31, 2021.

### **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:

Baker Tilly WM LLP, Chartered Professional Accountants, auditor of the Company, who prepared the independent auditor's report on the Company's 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.

The Technical Report was prepared by Luc Harnois, PhD, P.Geo. and Elisabeth Ronacher, PhD, P.Geo, from Ronacher McKenzie Geoscience Inc. Dr. Harnois and Dr. Ronacher. have no interest in the Company, the Company's securities or the Property and have not held, received or are 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 the Technical Report was prepared or thereafter.

### **OTHER MATERIAL FACTS**

There are no material facts about the Company that are not otherwise disclosed in this Prospectus.

### **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, irrespective of the determination at a later date of the purchase price of the securities distributed. The securities legislation further provides a purchaser with remedies for recession or revision of the purchase price or damages if the prospectus and any amendment contains a misrepresentation or is



not delivered to the purchaser, provided that the remedies rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. 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 advisor.

#### **FINANCIAL STATEMENTS**

Financial statements of the Company for the periods ended September 30, 2019 and September 30, 2020 and for the three months ended December 31, 2020 are included in this Prospectus as Schedule "A".

A-1

**SCHEDULE "A"**  
**QUEBEC SILICA RESOURCES CORP. FINANCIAL STATEMENTS**

**Table of Contents**

Audited Financial statements for the year ended September 30, 2020 and 2019. Interim financial statements for the three months ended December 31, 2020 (unaudited).

*(See Financial Statements attached.)*

# Quebec Silica Resources Corp.

(formerly Purecanna Products Inc.)

Financial Statements

For the Years Ended September 30, 2020 and 2019

## **INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Quebec Silica Resources Corp. (formerly Purecanna Products Inc.):

### ***Opinion***

We have audited the financial statements of Quebec Silica Resources Corp. (formerly Purecanna Products Inc.) (the “Company”), which comprise the statements of financial position as at September 30, 2020 and 2019, and the statements of loss and comprehensive loss, statements of changes in shareholders’ equity and statements of cash flows for the years ended September 30, 2020 and 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2020 and 2019, and its financial performance and its cash flows for the years ended September 30, 2020 and 2019 in accordance with International Financial Reporting Standards.

### ***Basis for Opinion***

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *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 audits 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 in our audits is sufficient and appropriate to provide a basis for our opinion.

### ***Material Uncertainty Related to Going Concern***

We draw attention to Note 1 in the financial statements, which describes events and conditions indicating that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

ASSURANCE • TAX • ADVISORY

*Baker Tilly WM LLP is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.*

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Anna C. Moreton.

*Baker Tilly WM LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS  
Vancouver, B.C.  
March 31, 2021

Quebec Silica Resources Corp.  
(formerly Purecanna Products Inc.)  
Statements of Financial Position  
(Stated in Canadian Dollars)

	Notes	September 30, 2020	September 30, 2019
<b>ASSETS</b>			
Current assets			
Cash		\$ 730,898	\$ 42,958
Prepaid expenses		7,500	-
<b>TOTAL ASSETS</b>		<b>\$ 738,398</b>	<b>\$ 42,958</b>
<b>LIABILITIES AND EQUITY</b>			
Current liabilities			
Trade and other payables	8,9	\$ 106,053	\$ 20,331
Share issue costs incurred	6	42,690	-
Subscriptions received		73,000	-
<b>Total liabilities</b>		<b>221,743</b>	<b>20,331</b>
Shareholders' equity			
Common shares	5	135,377	35,500
Special warrants	6	574,683	50,228
Share-based payments reserve	7	13,960	12,700
Deficit		(207,365)	(75,801)
<b>Total equity</b>		<b>516,655</b>	<b>22,627</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 738,398</b>	<b>\$ 42,958</b>
Nature and continuance of operations	1		
Subsequent events	4,13		

Approved on behalf of the Board of Directors:

"Aeron Kawakami"

Aeron Kawakami, Director

"Raymond Wladichuk"

Raymond Wladichuk, Director

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

Quebec Silica Resources Corp.  
(formerly Purecanna Products Inc.)  
Statements of Loss and Comprehensive Loss  
(Stated in Canadian Dollars)

	Notes	Year ended September 30,	
		2020	2019
Expenses			
General and administrative		\$ 1,709	\$ 988
Management fees		-	37,500
Pre-exploration and exploration expenditures	4	102,161	-
Professional fees		27,694	23,506
Travel and promotion		-	8,422
<b>Loss and comprehensive loss for the year</b>		<b>\$ (131,564)</b>	<b>\$ (70,416)</b>
Weighted average number of common shares outstanding	5		
Basic		3,768,034	3,350,001
Diluted		3,768,034	3,350,001
<b>Basic and diluted loss per common share</b>	5	<b>\$ (0.03)</b>	<b>\$ (0.02)</b>

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



Quebec Silica Resources Corp.  
(formerly Purecanna Products Inc.)  
Statements of Changes in Shareholders' Equity  
(Stated in Canadian Dollars)

	Common Shares		Special Warrants		Share-based	Deficit	Total
	Number	Amount	Number	Amount	Payments Reserve		
Balance at September 30, 2018	3,350,001	\$ 35,500	685,000	\$ 50,228	\$ 12,700	\$ (5,385)	\$ 93,043
Loss and comprehensive loss for the year	-	-	-	-	-	(70,416)	(70,416)
Balance at September 30, 2019	3,350,001	35,500	685,000	50,228	12,700	(75,801)	22,627
Common shares issued for cash:							
Private placement	4,500,000	112,500	-	-	-	-	112,500
Share issue costs	-	(12,623)	-	-	-	-	(12,623)
Special warrants issued for cash:							
Private placement	-	-	12,700,000	635,000	-	-	635,000
Special warrant issue costs	-	-	-	(110,545)	1,260	-	(109,285)
Loss and comprehensive loss for the year	-	-	-	-	-	(131,564)	(131,564)
Balance at September 30, 2020	7,850,001	\$ 135,377	13,385,000	\$ 574,683	\$ 13,960	\$ (207,365)	\$ 516,655

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

Quebec Silica Resources Corp.  
(formerly Purecanna Products Inc.)  
Statements of Cash Flows  
(Stated in Canadian Dollars)

	Year ended September 30,	
	2020	2019
Operating activities		
Loss for the year	\$ (131,564)	\$ (70,416)
Changes in non-cash working capital items:		
Prepaid expenses	(7,500)	-
Trade and other payables	85,722	19,151
<b>Net cash used in operating activities</b>	<b>(53,342)</b>	<b>(51,265)</b>
Financing activities		
Special warrant subscriptions received	73,000	-
Proceeds from issuance of common shares, net of issue costs	99,877	-
Proceeds from issuance of special warrants, net of issue costs	568,405	-
<b>Net cash provided by financing activities</b>	<b>741,282</b>	<b>-</b>
Change in cash during the year	687,940	(51,265)
Cash, beginning of year	42,958	94,223
<b>Cash, end of year</b>	<b>\$ 730,898</b>	<b>\$ 42,958</b>
Supplemental Cash Flow Information		
Income taxes paid	\$ -	\$ -
Interest paid (received)	\$ -	\$ -
Non-cash Financing Activities		
Common shares to be issued for special warrant issue costs	\$ 30,950	\$ -
Fair value of finder warrants for special warrant issue costs	\$ 13,000	\$ -

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

# Quebec Silica Resources Corp.

(formerly Purecanna Products Inc.)

Notes to the Financial Statements

September 30, 2020 and 2019

(Stated in Canadian Dollars)

---

## 1. Nature of Operations and Going Concern

Quebec Silica Resources Corp. (formerly Purecanna Products Inc.) (the "Company") was incorporated on May 22, 2018 pursuant to the Business Corporations Act (British Columbia). On August 27, 2020, the Company changed its name from Purecanna Products Inc. to Quebec Silica Resources Corp. The Company is presently pursuing a listing on the Canadian Securities Exchange ("CSE").

The office of the Company is located at 1100 – 1111 Melville Street, Vancouver, BC, V6E 2Y3.

These financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") on the assumption that the Company will continue as a going concern and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Company's principal business activities include the acquisition and exploration of mineral resource properties. The Company's future financial success is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time.

During the first quarter of 2020, there was a global outbreak of a novel coronavirus identified as "COVID-19". On March 11, 2020, the World Health Organization declared a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets.

Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

As at September 30, 2020, the Company had not yet achieved profitable operations, has accumulated losses of \$207,365 since inception, and expects to incur further losses in the development of its business. These factors indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The Company's continuation as a going concern is primarily dependent upon its ability to raise financing from equity markets or borrowings and upon successful results from its mineral property exploration activities. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these financial statements.

2. Basis of Preparation

a) Statement of compliance

The Company has prepared its financial statements in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRICs").

b) Basis of presentation

The financial statements are presented in Canadian dollars and all values are rounded to the nearest dollar except where otherwise indicated. The financial statements have been prepared on an accrual basis and are based on historical costs except for certain financial instruments, which are measured at fair value, as explained in the accounting policies set out in note 3.

c) Approval of the financial statements

The financial statements of the Company for the years ended September 30, 2020 and 2019 were approved and authorized for issue by the Board of Directors on March 31, 2021.

d) Recent accounting pronouncements and changes to accounting policies

During the year ended September 30, 2020, the Company adopted the following new accounting pronouncements:

- i) IFRS 16 Leases – In January 2016, the IASB issued IFRS 16, which establishes principles for the recognition, measurement, presentation, and disclosure of leases for both the lessee and lessor. The new standard introduces a single lessee accounting model that requires the recognition of all assets and liabilities arising from a lease. IFRS 16 replaces IAS 17, IFRIC 4, SIC 15, and SIC 27 effective for annual periods on or after January 1, 2019. The Company did not have any lease contracts in place as at September 30, 2019 and did not enter into any lease contracts during the year ended September 30, 2020. As such, there was no material impact on the Company's financial statements upon adoption of this standard.

At the date of authorization of these financial statements, the IASB and IFRIC have issued the following new and revised Standards and Interpretations which are not yet effective:

- IFRS 3 Business Combinations      The definition of a business has been amended under IFRS 3. Under the amended definition, to be considered a business an acquisition must include an input and a substantive process that together significantly contribute to the ability to create outputs. The new guidance provides a framework to evaluate when an input and a substantive process are present. Under the prior definition, IFRS 3 stated that a business need not include all of the inputs or processes that the seller used in operating that business "if market participants are capable of acquiring the business and continuing to produce outputs, for example, by integrating the business with their own inputs and processes".

2. Basis of Preparation (cont'd)

The reference to such integration is now deleted from IFRS 3 in the amendment and the assessment must be based on what has been acquired in its current state and condition. This amendment will be applied prospectively to future acquisitions (effective for annual periods on or after January 1, 2020).

The Company has not early adopted this standard and does not expect there to be a material impact on the results and financial position of the Company upon adoption.

3. Summary of Significant Accounting Policies

a) Cash

Cash in the statements of financial position comprise cash at banks, or held in trust which are readily convertible into a known amount of cash, and subject to insignificant risk of changes in fair value.

b) Foreign currencies

The financial statements are presented in Canadian dollars. The Company's functional currency is the Canadian dollar, which is the currency of the primary economic environment in which the Company operates.

Transactions in foreign currencies are initially recorded at the functional currency rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency rate of exchange at the date of the statement of financial position.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

c) Mineral properties and exploration and evaluation expenditures

Costs incurred before the Company has obtained the legal rights to explore an area are expensed in the period in which they are incurred.

The costs incurred to obtain the legal rights to explore an area are expensed in the period incurred. These costs include the cash consideration and the estimated fair market value of share-based payments issued for such property interests. Option payments which are solely at the Company's discretion are recorded as acquisition costs as they are made.

3. Summary of Significant Accounting Policies (cont'd)

Exploration and evaluation costs are expensed until the determination of the technical feasibility and the commercial viability of the associated project. Exploration costs include costs directly related to exploration and evaluation activities in the areas of interest. The technical feasibility and commercial viability of extracting a mineral resource is considered to be determinable when economically recoverable reserves exist, the rights of tenure are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area, or alternatively by sale of the property. This determination is normally evidenced by the completion of a technical feasibility study.

Expenditures to develop new mines, to define further mineralization in mineral properties which are in the development or operating stage, and to expand the capacity of operating mines, are capitalized and amortized on a units-of-production basis over proven and probable reserves.

Government tax credits received are recorded as a reduction to the cumulative costs incurred on the related property.

When a project is deemed to no longer have commercially viable prospects to the Company, capitalized costs in respect of that project are deemed to be impaired. As a result, those capitalized costs, in excess of estimated recoveries, are charged to profit or loss.

The Company assesses mineral property assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs of disposal and value in use.

Recoverability of the carrying amount of any mineral property assets is dependent on successful development and commercial exploitation, or alternatively sale of the respective areas of interest.

d) Impairment of assets

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

The recoverable amount of assets is the greater of an asset's fair value less cost of disposal 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 the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous periods.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

3. Summary of Significant Accounting Policies (cont'd)

e) Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are recognized in profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable. The Company currently has no known material restoration, rehabilitation and environmental obligations.

f) Share capital

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

The Company bifurcates units which consist of common shares and share purchase warrants using the residual value approach, whereby it measures the common share component of the unit at fair value using market prices as input values and then allocates the residual value, if any, of the units over the fair value of the common shares to the warrant component. The value of the warrant component is credited to share-based payment reserve. When warrants are exercised, forfeited or expire, the corresponding value is transferred from share-based payment reserve to common stock.

3. Summary of Significant Accounting Policies (cont'd)

g) Flow-through shares

Resource expenditure deductions for income tax purposes related to exploratory activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into: (a) a flow-through share premium equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and (b) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Proceeds from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until qualifying expenditures are incurred.

h) Share-based payments

Employees (including directors and senior executives) of the Company may receive a portion of their remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions"). The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

In situations where equity instruments are issued for goods or services to other than employees, the transaction is measured at the fair value of the goods or services received by the Company. When the value of the goods or services cannot be specifically identified, they are measured at the fair value of the share-based payment.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date"). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share-based payments reserve.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional amount is recognized on the same basis as the amount of the original award for any modification which increases the total fair value of the share-based payment arrangement or is otherwise beneficial to the employee as measured at the date of modification.



3. Summary of Significant Accounting Policies (cont'd)

i) Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are substantively enacted by the date of the statement of financial position.

Deferred income tax

Deferred income taxes are provided using the liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable earnings; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences and carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable earnings; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at the date of each statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at the date of each statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

3. Summary of Significant Accounting Policies (cont'd)

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statements of loss and comprehensive loss.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

j) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net income (loss) for the period available to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. The Company uses the treasury stock method of calculating fully diluted earnings per share amounts, whereby any proceeds from the exercise of dilutive instruments are assumed to be used to purchase common shares at the average market price during the period. Basic and diluted loss per share are the same for the periods presented, as the effect of dilutive instruments outstanding during the periods presented, would be anti-dilutive.

k) Financial instruments

i) Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value, and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectation of recovering the contractual cash flows of a financial asset.

ii) Classification and measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

- a) those to be measured subsequently at fair value, either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI"); and,
- b) those to be measured subsequently at amortized cost.

### 3. Summary of Significant Accounting Policies (cont'd)

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

#### Financial liabilities and equity

Classification as debt or equity – debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments – an equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received net of direct issue costs.

After initial recognition at fair value, financial liabilities are classified and measured at either:

- i) amortized cost;
- ii) FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or
- iii) FVTOCI, when the change in fair value is attributable to changes in the Company's credit risk.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at amortized cost or FVTOCI are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at FVTPL are expensed in profit or loss.

The Company's financial assets consists of cash which are classified and subsequently measured at amortized cost. The Company's financial liabilities consist of trade and other payables which are classified and measured at amortized cost using the effective interest rate method. The 'effective interest rate' is the rate that discounts estimated future cash payments over the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability. The effective interest rate is calculated considering all contractual terms of the financial instruments, except for the expected credit losses of financial assets. Interest expense is reported in profit or loss.

3. Summary of Significant Accounting Policies (cont'd)

iii) Impairment

The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportable forward-looking information.

l) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

m) Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The areas that require significant estimations or where measurements are uncertain are as follows:

*Share-based payments*

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

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying accounting policies in the Company's financial statements include:

*Going Concern*

The determination of the Company's ability to continue as a going concern requires significant judgment. Material adjustments to the Company's assets and liabilities may be required if the going concern assumption was not used.

Quebec Silica Resources Corp.  
(formerly Purecanna Products Inc.)  
Notes to the Financial Statements  
September 30, 2020 and 2019  
(Stated in Canadian Dollars)

---

3. Summary of Significant Accounting Policies (cont'd)

*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. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

4. Exploration and Evaluation Properties

On August 10, 2020, the Company entered into an agreement with Macdonald Mines Exploration Ltd. for the purchase of 6 mineral claims, referred to as the Charlevoix Properties, covering an estimated 346.95 hectares located in south-western Quebec, Canada.

The agreement provided for the purchase of these claims in consideration of 1,000,000 common shares of the Company. As of September 30, 2020, the Company had not issued the 1,000,000 common shares. On February 2, 2021, the Company issued the 1,000,000 common shares to complete the acquisition.

During the years ended September 30, 2020 and 2019, the Company incurred the following exploration expenditures on the property:

	Year ended September 30,	
	2020	2019
Charlevoix Properties		
Geological field work	\$ 73,431	\$ -
Mobilization and de-mobilization	17,692	-
Technical report writing	11,038	-
	\$ 102,161	\$ -

5. Common Shares

a) Authorized:

An unlimited number of common shares with no par value.

b) During the years ended September 30, 2020 and 2019, the Company issued the following common shares:

- i) On August 28, 2020, the Company issued 3,400,000 flow-through common shares at \$0.025 per share and 1,100,000 non flow-through common shares at \$0.025 per share for gross proceeds of \$112,500. The Company paid cash commissions of \$11,250 and incurred legal fees of \$1,373. No amounts were recognized for a flow-through share premium liability as at September 30, 2020 and 2019.

Quebec Silica Resources Corp.  
(formerly Purecanna Products Inc.)  
Notes to the Financial Statements  
September 30, 2020 and 2019  
(Stated in Canadian Dollars)

---

5. Common Shares (cont'd)

c) Loss per share:

Basic and diluted loss per share

	Year ended September 30,	
	2020	2019
Numerator:		
Net loss	\$ (131,564)	\$ (70,416)
Denominator:		
Weighted average number of common shares (basic)	3,768,034	3,350,001
Dilutive effect of special warrants	-	-
Weighted average number of common shares (diluted)	3,768,034	3,350,001
Basic and diluted loss per common share	\$ (0.03)	\$ (0.02)

6. Special Warrants

The Company has issued the following special warrants:

- a) On August 28, 2018, the Company issued 685,000 special warrants at \$0.10 per special warrant for gross proceeds of \$68,500. These special warrants will automatically convert into common shares of the Company on a one for one basis upon a prospectus being filed that qualifies these special warrants. The Company incurred cash fees and expenses of \$5,572. The Company issued 213,500 compensation warrants as a commission with a fair value of \$12,700.
- b) On September 23, 2020, the Company issued 12,700,000 special warrants at \$0.05 per special warrant for gross proceeds of \$635,000. These special warrants will automatically convert into units (each a "Unit") on a one for one basis upon a prospectus being filed that qualifies these Special Warrants. Each Unit consists of one common share and one-half of one transferable common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one additional common share (the "Warrant Shares") in the capital of the Company at a price of \$0.10 per Warrant Share for 24 months from the date of conversion of the special warrants. The Company paid cash commissions of \$61,900 and incurred legal fees of \$4,695. The Company issued 60,000 finders' warrants as a commission with a fair value of \$1,260. The Company accrued the issuance of 559,000 finders' warrants as a commission with a fair value of \$11,740. These 559,000 finders' warrants were issued on October 19, 2020. Also, the Company accrued the issuance of 619,000 common shares as a commission with a fair value of \$30,950. These 619,000 common shares were issued on October 19, 2020.

Quebec Silica Resources Corp.  
(formerly Purecanna Products Inc.)  
Notes to the Financial Statements  
September 30, 2020 and 2019  
(Stated in Canadian Dollars)

---

7. Share-based Payments

The fair value of warrants issued is estimated using the Black-Scholes Option Pricing Model with the following details and assumptions:

	September 30, <u>2020</u>
Weighted average fair value at issue date	\$0.02
Average risk-free interest rate	0.24%
Expected life	2 years
Expected volatility	80%
Expected dividend yield	0%
Forfeiture rate	0%

The expected volatility assumption is based on the volatility of stock prices for early stage public companies. The risk-free interest rate is based on yield curves on Canadian government zero-coupon bonds or Canadian government treasury bills with a remaining term equal to the warrants' expected life.

The changes in warrants issued during the years ended September 30, 2020 and 2019 are as follows:

	<u>Year ended</u> <u>September 30, 2020</u>		<u>Year ended</u> <u>September 30, 2019</u>	
	Number of warrants	Weighted- average exercise price	Number of warrants	Weighted- average exercise price
Balance, beginning of year	213,500	\$ 0.10	213,500	\$ 0.10
Issued	60,000	\$ 0.05	-	\$ -
Balance, end of year	<u>273,500</u>	<u>\$ 0.09</u>	<u>213,500</u>	<u>\$ 0.10</u>

Warrants exercisable and outstanding as at September 30, 2020 are as follows:

<u>Expiry Date</u>	<u>Number of warrants</u>	<u>Exercise Price</u>
Two years from the date the Company makes an application to list its common shares on a stock exchange.	213,500	\$0.10
September 23, 2022	60,000	\$0.05
	<u>273,500</u>	

## 8. Related Party Transactions

The following is a summary of the related party transactions that occurred during the years ended September 30, 2020 and 2019.

### a) Compensation of key management personnel

The Company has determined that key management personnel consist of its Directors, the CEO and CFO.

During the years ended September 30, 2020 and 2019, a former director was paid \$nil (2019 - \$37,500) for management fees. Also, key management personnel were not paid post-employment benefits, termination benefits, or other long-term benefits during these periods.

### b) Other related party transactions

i) During the year ended September 30, 2020, the Company incurred \$91,123 (2019 - \$nil) of exploration expenditures to a company related by a common director. As at September 30, 2020, \$6,123 (2019 - \$nil) of this amount is included in trade and other payables.

## 9. Financial Instruments

The Company is exposed to various financial risks resulting from both its operations and its investment activities. The Company's management manages financial risks. The Company does not enter into financial instruments agreements, including derivative financial instruments for speculative purposes. The Company's main financial risks exposure and its financial policies are as follows:

### a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk, with the carrying value being the Company's maximum exposure. The Company's cash consists of funds held at a Canadian chartered bank and in trust with the Company's corporate lawyer. Management believes the Company's exposure to credit risk is minimal.

### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as cash only comprise funds held at a Canadian chartered bank and in trust with the Company's corporate lawyer as at September 30, 2020. The Company had no interest rate swaps or financial contracts in place as at or during the years ended September 30, 2020 and 2019.

### c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company seeks to ensure that it has sufficient capital to meet short term financial obligations after taking into account its operating obligations and cash on hand.



Quebec Silica Resources Corp.  
 (formerly Purecanna Products Inc.)  
 Notes to the Financial Statements  
 September 30, 2020 and 2019  
 (Stated in Canadian Dollars)

---

9. Financial Instruments (cont'd)

A breakdown of the Company's aged trade and other payables is as follows:

	Year ended September 30, 2020	Year ended September 30, 2019
Less than 90 days	\$ 106,053	\$ 20,331
Between 90 days and 1 year	-	-
Greater than 1 year	-	-
	<u>\$ 106,053</u>	<u>\$ 20,331</u>

Fair value estimates are made at the statement of financial position date, based on relevant market information and other information about financial instruments. As at September 30, 2020 and 2019, the Company's financial instruments are cash and trade and other payables. The amounts reflected in the statement of financial position approximate their fair values due to the short-term nature of these financial instruments.

10. Capital Management

The Company's capital currently consists of common shares and special warrants and its principal source of cash is from the issuance of common shares and special warrants. The Company's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to acquire and explore mineral property assets. The Company does not have any externally imposed capital requirements to which it is subject. 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 or special warrants.

As the Company's mineral property is in the exploration stage, the Company is dependent on external financing to fund its activities. In order to carry out its operations, the Company will spend its existing working capital and raise additional amounts as needed.

11. Segmented Information

At September 30, 2020 the Company has one reportable operating segment being the acquisition and exploration of mineral property assets. All of the Company's assets are located in Canada.

An operating segment is defined as a component of the Company:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are reviewed regularly by the entity's chief operating decision maker; and
- for which discrete financial information is available.

Quebec Silica Resources Corp.  
(formerly Purecanna Products Inc.)  
Notes to the Financial Statements  
September 30, 2020 and 2019  
(Stated in Canadian Dollars)

---

12. Income Taxes

Tax expense differs from the amount computed by applying the combined Canadian federal and provincial income tax rates, applicable to the Company, to the income (loss) before income taxes due to the following:

	Year ended September 30, 2020	Year ended September 30, 2019
Loss before income taxes	\$ (131,564)	\$ (70,416)
Canadian federal and provincial income tax rate	26.5%	26.6%
Income tax expense (recovery) based on Canadian federal and provincial income tax rates	(34,898)	(18,748)
Increase (decrease) in income taxes attributable to:		
Share issuance costs	(32,576)	(973)
Tax benefits not recognized	67,474	19,721
Income tax (recovery)	\$ -	\$ -

Unrecognized deductible temporary differences and unused tax losses are attributable to the following:

	Year ended September 30, 2020	Year ended September 30, 2019
Exploration and evaluation expenditures	\$ 24,171	\$ -
Share issuance costs	28,694	3,540
Non-capital loss carry forwards	39,500	21,350
	92,364	24,890
Less: tax benefits not recognized	(92,364)	(24,890)
	\$ -	\$ -

At September 30, 2020 the Company has non-capital losses of approximately \$149,000 available for carry-forward to reduce future years' income taxes expiring on various dates as follows:

Expiry Date	Amount
September 30, 2038	\$ 6,000
September 30, 2039	74,000
September 30, 2040	69,000
	\$ 149,000

### 13. Subsequent Events

On October 19 and November 3, 2020, the Company issued 6,500,000 and 600,000 special warrants respectively, at \$0.05 per special warrant for gross proceeds of \$355,000, of which \$73,000 had been received as at September 30, 2020. These special warrants will automatically convert into units (each a "Unit") on a one for one basis upon a prospectus being filed that qualifies these special warrants. Each Unit consists of one common share and one-half of one transferable common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one additional common share (the "Warrant Shares") in the capital of the Company at a price of \$0.10 per Warrant Share for 24 months from the date of conversion of the special warrants.

In connection with the special warrant private placements, the Company paid cash commissions of \$28,000, paid a corporate finance fee of \$10,000, and incurred legal fees of \$5,631. The Company also issued 280,000 finders' warrants as a commission with a fair value of \$6,000 and issued 280,000 common shares as a commission for the issuance of the special warrants. The 280,000 finders' warrants have an exercise price of \$0.05 and expire on October 19, 2022.

On December 29, 2020, the Company adopted an option plan in accordance with the rules and policies of the CSE. The terms of any award are determined by the Board, provided that no options may be granted with an exercise price lower than the greater of the closing market price of the Common Shares on (a) the trading day prior to the date of the grant of the stock options, and (b) the date of grant of the stock options, and the term may not exceed 10 years. The aggregate number of securities available for issuance under the plan may not exceed 10% of the number of common shares of the Company issued and outstanding from time to time.

On January 5, 2021, the Company allocated 2,600,000 stock options to directors, officers, employees and consultants. Each option is exercisable to acquire a common share at an exercise price of \$0.10 for two years from the date the final receipt is received for the Company's non-offering Prospectus.

On January 23, 2021, 12,700,000 Special Warrants converted at no additional cost into 12,700,000 Common Shares and 6,350,000 Warrants. On February 19, 2021, 6,500,000 Special Warrants converted at no additional cost into 6,500,000 Common Shares and 3,250,000 Warrants. On March 3, 2021, 600,000 Special Warrants converted at no additional cost into 600,000 Common Shares and 300,000 Warrants. Each Warrant entitles the holder thereof to acquire one additional common share (the "Warrant Shares") in the capital of the Company at a price of \$0.10 per Warrant Share for 24 months from the date of conversion of the special warrants.

# **Quebec Silica Resources Corp.**

**Condensed Interim Financial Statements  
For the Three Months Ended December 31, 2020 and 2019  
(Unaudited)**

**Quebec Silica Resources Corp.**  
**Condensed Interim Statements of Financial Position**  
(Stated in Canadian Dollars)  
(Unaudited)

	Notes	December 31, 2020	September 30, 2020
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		\$ 863,914	\$ 730,898
GST receivable		1,644	-
Prepaid expenses		4,771	7,500
<b>TOTAL ASSETS</b>		<b>\$ 870,329</b>	<b>\$ 738,398</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Trade and other payables		\$ 23,815	\$ 106,053
Share issue costs incurred	5	-	42,690
Subscriptions received		-	73,000
<b>Total liabilities</b>		<b>23,815</b>	<b>221,743</b>
<b>Shareholders' equity</b>			
Common shares	4	180,327	135,377
Special warrants	5	866,052	574,683
Share-based payments reserve	6	31,700	13,960
Deficit		(231,565)	(207,365)
<b>Total equity</b>		<b>846,514</b>	<b>516,655</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 870,329</b>	<b>\$ 738,398</b>
<b>Nature and continuance of operations</b>	<b>1</b>		
<b>Subsequent events</b>	<b>3,8</b>		

**Approved on behalf of the Board of Directors:**

"Aeron Kawakami"

Aeron Kawakami, Director

"Raymond Wladichuk"

Raymond Wladichuk, Director

## Quebec Silica Resources Corp.

### Condensed Interim Statements of Loss and Comprehensive Loss

(Stated in Canadian Dollars)

(Unaudited)

	Notes	Three months ended December 31,	
		2020	2019
<b>Expenses</b>			
Consulting fees		\$ 12,500	\$ -
Filing and listing fees		1,028	-
General and administrative		1,129	788
Pre-exploration and exploration expenditures	3	5,337	-
Professional fees		4,206	7,449
<b>Loss and comprehensive loss for the period</b>		<b>\$ (24,200)</b>	<b>\$ (8,237)</b>
<b>Weighted average number of common shares outstanding</b>	<b>4</b>		
Basic		8,573,110	3,350,001
Diluted		8,573,110	3,350,001
<b>Basic and diluted loss per common share</b>	<b>4</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>

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

## Quebec Silica Resources Corp.

### Condensed Interim Statements of Changes in Shareholders' Equity

(Stated in Canadian Dollars)

(Unaudited)

	Common Shares		Special Warrants		Share-based Payments Reserve	Deficit	Total
	Number	Amount	Number	Amount			
<b>Balance at September 30, 2020</b>	7,850,001	\$ 135,377	13,385,000	\$ 574,683	\$ 13,960	\$ (207,365)	\$ 516,655
Special warrants issued for cash:							
Private placement	-	-	7,100,000	355,000	-	-	355,000
Issue costs	899,000	44,950	-	(63,631)	17,740	-	(941)
Loss for the period	-	-	-	-	-	(24,200)	(24,200)
<b>Balance at December 31, 2020</b>	<b>8,749,001</b>	<b>180,327</b>	<b>20,485,000</b>	<b>866,052</b>	<b>31,700</b>	<b>(231,565)</b>	<b>846,514</b>

	Common Shares		Special Warrants		Share-based Payments Reserve	Deficit	Total
	Number	Amount	Number	Amount			
<b>Balance at September 30, 2019</b>	3,350,001	\$ 35,500	685,000	\$ 50,228	\$ 12,700	\$ (75,801)	\$ 22,627
Loss for the period	-	-	-	-	-	(8,237)	(8,237)
<b>Balance at December 31, 2019</b>	<b>3,350,001</b>	<b>\$ 35,500</b>	<b>685,000</b>	<b>\$ 50,228</b>	<b>\$ 12,700</b>	<b>\$ (84,038)</b>	<b>\$ 14,390</b>

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

**Quebec Silica Resources Corp.**  
**Condensed Interim Statements of Cash Flows**  
(Stated in Canadian Dollars)  
(Unaudited)

	Three months ended December 31,	
	2020	2019
<b>Operating activities</b>		
Loss for the period	\$ (24,200)	\$ (8,237)
Changes in non-cash working capital items:		
GST receivable	(1,644)	-
Prepaid expenses	2,729	-
Trade and other payables	(82,238)	(18,756)
<b>Net cash used in operating activities</b>	<b>(105,353)</b>	<b>(26,993)</b>
<b>Financing activities</b>		
Proceeds from issuance of special warrants	282,000	-
Issue costs	(43,631)	-
<b>Net cash provided by financing activities</b>	<b>238,369</b>	<b>-</b>
<b>Change in cash during the period</b>	<b>133,016</b>	<b>(26,993)</b>
<b>Cash, beginning of period</b>	<b>730,898</b>	<b>42,958</b>
<b>Cash, end of period</b>	<b>\$ 863,914</b>	<b>\$ 15,965</b>
<b>Supplemental Cash Flow Information</b>		
Income taxes paid	\$ -	\$ -
Interest paid (received)	\$ -	\$ -
<b>Non-cash Financing Activities</b>		
Common shares issued for special warrant issue costs	\$ 44,950	\$ -
Fair value of finder warrants for special warrant issue costs	\$ 17,740	\$ -

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



**Quebec Silica Resources Corp.**  
**Notes to the Condensed Interim Financial Statements**  
**December 31, 2020 and 2019**  
(Stated in Canadian Dollars)  
(Unaudited)

---

**1. Nature and Continuance of Operations**

Quebec Silica Resources Corp. (the “Company”) was incorporated on May 22, 2018 pursuant to the Business Corporations Act (British Columbia). On August 27, 2020, the Company changed its name from Purecanna Products Inc. to Quebec Silica Resources Corp. The Company is presently pursuing a listing on the Canadian Securities Exchange (“CSE”).

These condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) on the assumption that the Company will continue as a going concern and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Company’s principal business activities include the acquisition and exploration of mineral resource properties. The Company’s future financial success is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time.

During the first quarter of calendar 2020, there was a global outbreak of a novel coronavirus identified as “COVID-19”. On March 11, 2020, the World Health Organization declared a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets.

Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

As at December 31, 2020, the Company had not yet achieved profitable operations, has accumulated losses of \$231,565 since inception, and expects to incur further losses in the development of its business. These factors indicate a material uncertainty that may cast substantial doubt on the Company’s ability to continue as a going concern. The Company’s continuation as a going concern is primarily dependent upon its ability to raise financing from equity markets or borrowings and upon successful results from its mineral property exploration activities. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these condensed interim financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company’s assets and liabilities on a liquidation basis could be material to these condensed interim financial statements.

The office of the Company is located at 1100 – 1111 Melville Street, Vancouver, BC, V6E 2Y3.

**Quebec Silica Resources Corp.**  
**Notes to the Condensed Interim Financial Statements**  
**December 31, 2020 and 2019**  
(Stated in Canadian Dollars)  
(Unaudited)

---

**2. Basis of Preparation**

a) Statement of compliance

These condensed interim financial statements, including comparatives, are unaudited and have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC").

b) Basis of presentation

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's financial statements for the year ended September 30, 2020, with the exception of the following:

- IFRS 3 *Business Combinations* ("IFRS 3"), described in note 2(c).

The preparation of interim financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These condensed interim financial statements do not include all of the information required for full annual financial statements.

These condensed interim financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published and effective at the time of preparation.

These condensed interim financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value.

c) Recent accounting pronouncements and changes to accounting policies

IFRS 3 – The definition of a business will be amended under IFRS 3. Under the amended definition, to be considered a business an acquisition must include an input and a substantive process that together significantly contribute to the ability to create outputs. The new guidance provides a framework to evaluate when an input and a substantive process are present. Under the prior definition, IFRS 3 stated that a business need not include all of the inputs or processes that the seller used in operating that business "if market participants are capable of acquiring the business and continuing to produce outputs, for example, by integrating the business with their own inputs and processes".

The reference to such integration is now deleted from IFRS 3 in the amendment and the assessment must be based on what has been acquired in its current state and condition. This amendment did not materially impact the Company's condensed interim financial statements upon adoption of this standard.

d) Approval of the condensed interim financial statements

The condensed interim financial statements of the Company for the three months ended December 31, 2020 were reviewed, approved and authorized for issue by the board of directors on March 31, 2021.

**Quebec Silica Resources Corp.**  
**Notes to the Condensed Interim Financial Statements**  
**December 31, 2020 and 2019**  
(Stated in Canadian Dollars)  
(Unaudited)

---

**3. Exploration and Evaluation Assets**

On August 10, 2020, the Company entered into an agreement with Macdonald Mines Exploration Ltd. for the purchase of 6 mineral claims, referred to as the Charlevoix Properties, covering an estimated 346.95 hectares located in south-western Quebec, Canada.

The agreement provided for the purchase of these claims in consideration of 1,000,000 common shares of the Company. As of December 31, 2020, the Company had not issued the 1,000,000 common shares. On February 2, 2021, the Company issued the 1,000,000 common shares to complete the acquisition.

During the three months ended December 31, 2020 and 2019, the Company incurred the following exploration expenditures on the property:

	Three months ended December 31,	
	2020	2019
Charlevoix Properties		
Technical report writing	\$ 5,337	\$ -

---

**4. Common Shares**

a) Authorized:

An unlimited number of common shares with no par value.

b) Loss per share:

Basic and diluted loss per share

	Three months ended December 31,	
	2020	2019
Numerator:		
Net earnings (loss)	\$ (24,200)	\$ (8,237)
Denominator:		
Weighted average number of common shares (basic)	8,573,110	3,350,001
Dilutive effect of warrants	-	-
Weighted average number of common shares (diluted)	8,573,110	3,350,001
Basic and diluted income (loss) per common share	\$ -	\$ -

---

**Quebec Silica Resources Corp.**  
**Notes to the Condensed Interim Financial Statements**  
**December 31, 2020 and 2019**  
(Stated in Canadian Dollars)  
(Unaudited)

---

**5. Special Warrants**

The Company has issued the following special warrants:

- a) On August 28, 2018, the Company issued 685,000 special warrants at \$0.10 per special warrant for gross proceeds of \$68,500. These special warrants will automatically convert into common shares of the Company on a one for one basis upon a prospectus being filed that qualifies these special warrants. The Company incurred cash fees and expenses of \$5,572. The Company issued 213,500 compensation warrants as a commission with a fair value of \$12,700.
- b) On September 23, 2020, the Company issued 12,700,000 special warrants at \$0.05 per special warrant for gross proceeds of \$635,000. These special warrants will automatically convert into units (each a "Unit") on a one for one basis upon a prospectus being filed that qualifies these Special Warrants. Each Unit consists of one common share and one-half of one transferable common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one additional common share (a "Warrant Share") in the capital of the Company at a price of \$0.10 per Warrant Share for 24 months from the date of conversion of the special warrants. The Company paid cash commissions of \$61,900 and incurred legal fees of \$4,695. The Company issued 60,000 finders' warrants as a commission with a fair value of \$1,260. The Company accrued the issuance of an additional 559,000 finders' warrants as a commission with a fair value of \$11,740. These 559,000 finders' warrants were issued on October 19, 2020. Also, the Company accrued the issuance of 619,000 common shares as a commission with a fair value of \$30,950. These 619,000 common shares were issued on October 19, 2020.
- c) On October 19 and November 3, 2020, the Company issued 6,500,000 and 600,000 special warrants respectively, at \$0.05 per special warrant for gross proceeds of \$355,000. These special warrants will automatically convert into units (each a "Unit") on a one for one basis upon a prospectus being filed that qualifies these special warrants. Each Unit consists of one common share and one-half of one transferable common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one additional common share (a "Warrant Share") in the capital of the Company at a price of \$0.10 per Warrant Share for 24 months from the date of conversion of the special warrants.

In connection with the special warrant private placements, the Company paid cash commissions of \$28,000, paid a corporate finance fee of \$10,000, and incurred legal fees of \$5,631. The Company also issued 280,000 finders' warrants as a commission with a fair value of \$6,000 and issued 280,000 common shares as a commission with a fair value of \$14,000 for the issuance of the special warrants. The 280,000 finders' warrants have an exercise price of \$0.05 and expire on October 19, 2022.

**6. Share-based Payments**

- a) Warrants:

The fair value of the 839,000 finders' warrants issued during the three months ended December 31, 2020 was estimated using the Black-Scholes option pricing model assuming a risk-free interest rate of 0.22%, a dividend yield of nil, an expected annual volatility of the Company's share price of 80% and an expected life of 2 years. The fair value of the finder's warrants was \$0.02 per warrant. The expected volatility assumption is based on the estimated volatility of early-stage mineral exploration companies. The risk-free interest rate is based on yield curves on the Canadian government zero-coupon bonds or Canadian government treasury bills with a remaining term equal to the warrants' expected life.

**Quebec Silica Resources Corp.**  
**Notes to the Condensed Interim Financial Statements**  
**December 31, 2020 and 2019**  
(Stated in Canadian Dollars)  
(Unaudited)

---

**6. Share-based Payments (cont'd)**

The changes in warrants issued during the period ended December 31, 2020 is as follows:

	Three months ended December 31, 2020	
	Number of warrants	Weighted- average exercise price
Balance, beginning of period	273,500	\$ 0.09
Issued	839,000	\$ 0.05
Balance, end of period	1,112,500	\$ 0.06

Warrants exercisable and outstanding as at December 31, 2020 are as follows:

Expiry Date	Number of warrants	Exercise Price
Two years from the date the Company makes an application to list its common shares on a stock exchange.	213,500	\$0.10
September 23, 2022	60,000	\$0.05
October 19, 2022	839,000	\$0.05
	1,112,500	

b) Stock Options:

On December 29, 2020, the Company adopted an option plan in accordance with the rules and policies of the CSE. The terms of any award are determined by the Board, provided that no options may be granted with an exercise price lower than the greater of the closing market price of the Common Shares on (a) the trading day prior to the date of the grant of the stock options, and (b) the date of grant of the stock options, and the term may not exceed 10 years. The aggregate number of securities available for issuance under the plan may not exceed 10% of the number of common shares of the Company issued and outstanding from time to time.

On January 5, 2021, the Company allocated 2,600,000 stock options to directors, officers, employees and consultants. Each option is exercisable to acquire a common share at an exercise price of \$0.10 for two years from the date the final receipt is received for the Company's non-offering Prospectus.

**7. Financial Instruments – Fair Value**

Fair value estimates are made at the condensed interim statement of financial position date, based on relevant market information and other information about financial instruments. As at December 31, 2020, the Company's financial instruments are cash and trade and other payables. The amounts reflected in the condensed interim statements of financial position are carrying amounts and approximate their fair values due to their short-term nature.

**Quebec Silica Resources Corp.**  
**Notes to the Condensed Interim Financial Statements**  
**December 31, 2020 and 2019**  
(Stated in Canadian Dollars)  
(Unaudited)

---

**8. Subsequent Events**

On January 5, 2021, the Company allocated 2,600,000 stock options to directors, officers, employees and consultants. Each option is exercisable to acquire a common share at an exercise price of \$0.10 for two years from the date the final receipt is received for the Company's non-offering Prospectus.

On January 23, 2021, 12,700,000 Special Warrants converted at no additional cost into 12,700,000 Common Shares and 6,350,000 Warrants. On February 19, 2021, 6,500,000 Special Warrants converted at no additional cost into 6,500,000 Common Shares and 3,250,000 Warrants. On March 3, 2021, 600,000 Special Warrants converted at no additional cost into 600,000 Common Shares and 300,000 Warrants. Each Warrant entitles the holder thereof to acquire one additional common share (the "Warrant Shares") in the capital of the Company at a price of \$0.10 per Warrant Share for 24 months from the date of conversion of the special warrants.

**SCHEDULE "B"**  
**AUDIT COMMITTEE CHARTER**

The following Audit Committee Charter was adopted by the Audit Committee and the Board of Directors of Quebec Silica Resources Corp. (the “**Company**”)

**Mandate**

The primary function of the audit committee (the “**Committee**”) is to assist the Company’s Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements;
- review and appraise the performance of the Company’s external auditors; and
- provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board of Directors.

**Composition**

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a “venture issuer” (as that term is defined in National Instrument 51-102), then all of the members of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

If the Company ceases to be a “venture issuer” (as that term is defined in National Instrument 51-102), then all members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company’s Audit Committee Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders’ meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

**Meetings**

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the CFO and the external auditors in separate sessions.

**Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

**Documents/Reports Review**

- review and update this Audit Committee Charter annually; and
- review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

**External Auditors**

- review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
- obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1;
- review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- recommend to the Company's Board of Directors the compensation to be paid to the external auditors;
- at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:



B-3

- the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided,
- such services were not recognized by the Company at the time of the engagement to be non-audit services, and
- such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
- consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
- review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments;
- following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- review certification process;
- establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

- review any related-party transactions;
- engage independent counsel and other advisors as it determines necessary to carry out its duties;  
and
- to set and pay compensation for any independent counsel and other advisors employed by the Committee.

**CERTIFICATE OF QUEBEC SILICA RESOURCES CORP.**

Dated: March 31, 2021

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

*"Raymond Wladichuk"*

\_\_\_\_\_  
Raymond Wladichuk  
Chief Executive Officer

*"Elyssia Patterson"*

\_\_\_\_\_  
Elyssia Patterson  
Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS**

*"Aeron Kawakami"*

\_\_\_\_\_  
Aeron Kawakami  
Director

*"Ming Jang"*

\_\_\_\_\_  
Ming Jang  
Director

**CERTIFICATE OF THE PROMOTER**

Dated: March 31, 2021

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

*"Elyssia Patterson"*

\_\_\_\_\_  
Elyssia Patterson  
Promoter