

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

PROSPECTUS

INITIAL PUBLIC OFFERING

May 14, 2021



Offering: \$800,000 or 5,333,333 Common Shares (the "Offering")

Price: \$0.15 per Common Share

Burrell Resources Inc. (the "**Company**") is hereby offering (the "**Offering**"), on a commercially reasonable efforts basis, to purchasers' resident in the Provinces of British Columbia, Alberta and Ontario through its agent, PI Financial Corp. (the "**Agent**"), 5,333,333 Common Shares (as defined herein) in the capital of the Company at a price of \$0.15 per Common Share, for gross proceeds of \$800,000 (the "**Offering**").

| | Common Shares | Price to Public⁽¹⁾ | Agent's Fees⁽²⁾ | Proceeds to the Company⁽³⁾ |
|---------------------------|----------------------|--------------------------------------|-----------------------------------|--|
| Per Common Share Offering | 1 5,333,333 | \$0.15 \$800,000 | \$0.012 \$64,000 | \$0.138 \$736,000 |

(1) The Offering Price was determined by arm's length negotiation between the Company and the Agent.

(2) In connection with the offering, the Agent will receive a cash commission of 8% of the gross proceeds from the Common Shares sold (the "**Agent's Commission**"). See "*Plan of Distribution*". In addition to the Agent's Commission, the Agent will receive a corporate finance fee of \$25,000, plus GST payable in cash (the "**Corporate Finance Fee**"), of which \$12,500, plus GST, has been paid to the Agent as a non-refundable deposit. The Company will also pay the Agent's expenses in connection with the Offering, including legal fees and disbursements and the Agent's reasonable out-of-pocket expenses (the "**Agent's Expenses**"), for which the Company has paid a \$15,000 retainer. See "*Plan of Distribution*".

(3) After deducting the Agent's Commission, but before deducting the balance of the expenses of the Company, estimated at \$43,500, which will be paid from the proceeds of the Offering. See "*Use of Proceeds*".

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

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside

Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the NEX Exchange operated by NEX Group plc).

An investment in the securities of the Company is highly speculative and involves a high degree of risk due to the nature of the Company's business and its present stage of development. Investors should not invest any funds in this Offering unless they can afford to lose their entire investment. See "*Statement Regarding Forward-Looking Information*" and "*Risk Factors*".

The Company has applied to have its Common Shares listed on the Canadian Securities Exchange (the "CSE"). Listing is subject to the Company fulfilling all of the listing requirements of the CSE.

This Offering is not underwritten or guaranteed by any person or agent. The Agent, as agent of the Company for the purposes of the Offering, conditionally offers the Common Shares for sale on a commercially reasonable efforts basis and subject to prior sale, if, as and when issued by the Company and accepted by the Agent, in accordance with the conditions contained in the Agency Agreement. See "*Plan of Distribution*."

The Offering is subject to the receipt by the Agent of a minimum subscription of 5,333,333 Common Shares for gross proceeds to the Company of \$800,000, which proceeds shall be held by the Agent pending the completion of the Offering. If the minimum subscription is not completed within 90 days of the issuance of a receipt for the Prospectus, or if a receipt has been issued for an amendment to the Prospectus, within 90 days of the issuance of such receipt and in any event not later than 180 days from the date of receipt for the Prospectus, the distribution will cease, and all subscription monies will be returned to the purchasers without interest or deduction, unless the purchasers have otherwise instructed the Agent.

Unless otherwise noted, all currency in this Prospectus is stated in Canadian dollars.

Mr. Lawrence O'Connor, a director of the Company, resides outside of Canada and has appointed the following agent for service of process: Burrell Resources Inc., #400 - 601 West Broadway, Vancouver, BC V5Z 4C2.

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

Certain legal matters relating to the securities offered hereby and as to tax matters will be passed upon by Morton Law LLP, on behalf of the Company and by MLT Aikins LLP, on behalf of the Agent. No person is authorized by the Company to provide any information or make any representations other than those contained in this Prospectus in connection with the issue and sale of the securities offered hereunder.

The Company's head office is located at #400 - 601 West Broadway, Vancouver, BC V5Z 4C2 and its registered and records office is located at 1200-750 West Pender, Vancouver, British Columbia V6C 2T8.

Agent:

PI Financial Corp.
1900 – 666 Burrard Street
Vancouver, BC V6C 3N1

TABLE OF CONTENTS

| | |
|---|-----|
| GLOSSARY OF DEFINED TERMS | 4 |
| CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION | 6 |
| CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS | 6 |
| SUMMARY OF PROSPECTUS | 8 |
| CORPORATE STRUCTURE | 11 |
| THE ANTELOPE PROJECT | 15 |
| USE OF PROCEEDS..... | 16 |
| DIVIDENDS OR DISTRIBUTIONS..... | 18 |
| MANAGEMENT’S DISCUSSION AND ANALYSIS..... | 18 |
| DESCRIPTION OF THE SECURITIES DISTRIBUTED..... | 18 |
| CONSOLIDATED CAPITALIZATION | 19 |
| OPTIONS TO PURCHASE SECURITIES..... | 20 |
| PRIOR SALES..... | 21 |
| ESCROWED SECURITIES..... | 22 |
| PRINCIPAL COMMON SHAREHOLDERS | 23 |
| DIRECTORS AND EXECUTIVE OFFICERS | 25 |
| EXECUTIVE COMPENSATION..... | 30 |
| INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS | 31 |
| AUDIT COMMITTEE INFORMATION | 32 |
| CORPORATE GOVERNANCE DISCLOSURE..... | 35 |
| PLAN OF DISTRIBUTION | 37 |
| RISK FACTORS | 39 |
| PROMOTERS | 49 |
| LEGAL PROCEEDINGS AND REGULATORY ACTIONS..... | 49 |
| INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS | 49 |
| AUDITORS, TRANSFER AGENT AND REGISTRARS | 49 |
| MATERIAL CONTRACTS..... | 50 |
| EXPERTS..... | 50 |
| ELIGIBILITY FOR INVESTMENT..... | 50 |
| OTHER MATERIAL FACTS..... | 51 |
| RIGHTS OF WITHDRAWAL AND RESCISSION | 51 |
| LIST OF EXEMPTIONS | 52 |
| FINANCIAL STATEMENT DISCLOSURE..... | 52 |
| SCHEDULE “A” | 53 |
| SCHEDULE “B” | 104 |
| SCHEDULE “C” | 105 |
| SCHEDULE “D” | 113 |
| CERTIFICATE OF THE COMPANY | 119 |
| CERTIFICATE OF THE PROMOTER | 120 |
| CERTIFICATE OF THE AGENT | 121 |

GLOSSARY OF DEFINED TERMS

The following is a glossary of certain terms used in this Prospectus. Terms and abbreviations used in the Financial Statements and also appearing in the documents attached as schedules to the Prospectus may be defined separately and the terms and abbreviations defined below may not be used therein, except where otherwise indicated. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

| | |
|--|--|
| Agency Agreement | The agency agreement dated May 14, 2021 between the Company and the Agent. |
| Agent | PI Financial Corp. |
| Agent's Commission | The cash fee paid to the Agent equal to 8% of the proceeds from the sale of Common Shares sold pursuant to the Offering. |
| Antelope Project or Antelope Property | The Antelope Property is comprised of an aggregate of 38 contiguous BLM lode-type claims which grant the Company mineral rights to the underlying 733 acres (297 hectares) of prospective ground, located in northeastern Nevada. The Company has the option to acquire a 100% interest in the Antelope Project pursuant to the Antelope Option Agreements. |
| Antelope Option Agreements | The property lease and option agreement dated August 13, 2020, and amended on December 11, 2020, among the Company and Precious Metals LLC in respect of 20 federal unpatented claims and the property lease and the option agreement dated November 2, 2020, and amended on January 11, 2021, among the Company, Jamie Robinson and Donald Jennings in respect of 18 federal unpatented claims, which collectively comprise the Antelope Project. |
| Antelope Report | The independent NI 43-101 technical report dated effective January 18, 2021, entitled "Technical Report on the Antelope Property, White Pine County, Nevada, USA" prepared by Kristopher J. Raffle (B.Sc., P. Geo.) of Apex Geoscience Ltd. |
| Annual Financial Statements | The audited financial statements of the Company for the fiscal period ended December 31, 2020, together with the auditor's report thereon and the notes thereto, attached as Schedule "B" hereto. |
| Annual MD&A | The Company's management's discussion and analysis of the financial condition and results of operations for the period ended December 31, 2020, attached as Schedule "C" hereto. |
| BCBCA | The <i>Business Corporations Act</i> (British Columbia) |
| BLM | Bureau of Land Management (Nevada). |
| Board | The board of directors of the Company. |
| CEO | Chief Executive Officer. |

| | |
|----------------------------------|---|
| CFO | Chief Financial Officer. |
| Closing | The satisfaction of all conditions, and the completion of all steps and documents as required or contracted in order to effect the completion of the Offering. |
| Closing Date | The date the Offering is completed. |
| Common Shares | The Common Shares in the capital of the Company. |
| Company | Burrell Resources Inc., a British Columbia company. |
| Corporate Finance Fee | The corporate finance advisory fee of \$25,000 payable to the Agent in connection with the issue and sale of the Common Shares pursuant to the Offering. |
| CSE | Canadian Securities Exchange. |
| Escrow Agent | Marrelli Trust Company Limited. |
| Escrow Agreement | The escrow agreement between the Company, Escrow Holder and the Escrow Agent. |
| Escrow Holder | Patrick McGrath. |
| Financial Statements | The Annual Financial Statements. |
| Founder | Any director, officer, promoter, or insider of the Company. |
| IFRS | International Financial Reporting Standards. |
| Listing | The listing of the Common Shares on the CSE. |
| Listing Date | The date on which the Common Shares are listed for trading on the CSE. |
| MD&A | The Annual Management Discussion and Analysis. |
| Net Smelter Return or NSR | The actual proceeds received by the Company from a smelter or other place of sale or treatment in respect of all ore, metals, bullion or concentrates removed by the Company from the Antelope Property, as evidenced by the Company's returns or settlement sheets, after deducting certain costs. |
| NGOs | Non-governmental organizations. |
| NI 43-101 | National Instrument 43-101 – <i>Standards of Disclosure for Mineral Projects</i> . |
| NI 52-110 | National Instrument 52-110 – <i>Audit Committees</i> . |
| NI 58-101 | National Instrument 58-101 – <i>Disclosure of Corporate Governance Practices</i> . |
| NP 46-201 | National Policy 46-201 – <i>Escrow for Initial Public Offerings</i> . |

| | |
|---------------------------------|--|
| NP 51-201 | National Policy 51-201 – <i>Disclosure Standards</i> . |
| Offering | The Company’s initial public offering of Common Shares at a price of \$0.15 per Common Share for gross proceeds of \$800,000 to be conducted by the Agent concurrently with the Listing. |
| Offering Price | \$0.15 per Common Share. |
| Prospectus | This prospectus dated as of the date on the cover page and is a disclosure document of the Company required in connection with a public offering of Common Shares, including any Schedules or attachments hereto. |
| RC drilling | Reverse circulation drilling. |
| Recommended Work Program | The recommended exploration program on the Antelope Project as set out under the section entitled “Recommendations” in the Antelope Report and as discussed in this Prospectus under “Recommendations” within “Schedule A - Disclosure Regarding the Antelope Property”. |
| SEDAR | System for Electronic Document Analysis and Retrieval. |
| Vendors | Precious Metals LLC, Jamie Robinson and Donald Jennings. |

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

In this Prospectus, references to “\$” are to Canadian dollars and references to “US\$” are to United States dollars. On December 31, 2020, the daily rate as reported by the Bank of Canada for the conversion of one Canadian dollar into United States dollars was C\$1.00 = US\$0.75 (or US\$1.00 = C\$1.34).

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

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

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

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

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

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

- liabilities inherent in the Company’s operations;
- uncertainties associated with mineral exploration;
- weather and working conditions;
- competition for, among other things, capital, acquisitions, equipment and skilled personnel;
- fluctuations in metal prices and stock market volatility;
- the continued prevalence of COVID-19 or other pandemics could result in a material adverse effect on the Company; and
- the other factors discussed under “Risk Factors”.

This list of factors is not, and should not be construed as, exhaustive.

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of the Offering and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Purchasers should carefully consider, among other things, the matters discussed under "Risk Factors".

Business of The Company

The Company is a mineral exploration company engaged in the acquisition, exploration, and evaluation of resource properties with a current focus on gold properties located in Nevada, United States. To date, the Company has acquired an interest in a mineral property located in White Pine County, Nevada, referred to as the Antelope Project. The Company's current principal objectives are to explore and develop the Antelope Project, and to identify other properties worthy of investment and exploration.

The Antelope Project

The Antelope Project is a gold exploration project consisting of an aggregate of 38 contiguous BLM lode-type claims covering an area of 733 acres (297 hectares) located in White Pine County, Nevada. The Company intends to explore the Antelope Property pursuant to the recommendations set forth in the Antelope Report. The Recommended Work Program within the Antelope Report is subject to completing the Offering. See "*History and Significant Acquisitions*" and "*Description of the Business*".

Business Objectives

The Company's business objectives over the next 12 months are to (i) complete the Offering and concurrently obtain a listing of its Common Shares on the CSE, and to (ii) complete the Recommended Work Program.

The Offering

The Company is offering for sale of 5,333,333 Common Shares at a price of \$0.15 per Common Share. The Offering is being made on a commercially reasonable efforts basis by the Agent. If subscriptions for a minimum of 5,333,333 Common Shares have not been received within 90 days after the issuance of a receipt for the Prospectus, this Offering may not continue and subscription proceeds will be returned to subscribers, without interest or deduction. The latest date that the Shares may be taken up by the Agents is 90 days from the date that a receipt is obtained with respect to the Prospectus.

See "*Plan of Distribution*".

Use of Proceeds

It is estimated that the net proceeds to be received by the Company from the Offering, after deducting the remaining Offering and listing expenses, will be approximately \$692,500 if the Offering is completed. As at April 30, 2021, the Company had a working capital balance of \$82,000. The Company intends to use the funds available to it following completion of the Offering as follows:

| <u>Principal Purpose</u> | <u>Offering</u> |
|--|------------------|
| Recommended Work Program ⁽¹⁾ | \$225,000 |
| Claim maintenance costs due on the Antelope Property on or before the one year anniversary of the Listing Date | \$10,000 |
| To cover estimated general and administrative costs for the ensuing 12 months ⁽²⁾ | \$125,000 |
| Unallocated working capital | \$414,500 |
| Totals: | \$774,500 |

Notes:

(1) See "Recommendations" below under "Schedule A - Disclosure Regarding the Antelope Property".

(2) See "Principal Purposes" below under "Use of Proceeds"

While the Company intends to spend the net proceeds from the Offering as stated above, there may be circumstances where, for sound business reasons, funds may be re-allocated at the discretion of the Board or management. See "Use of Proceeds".

The Company has negative cashflow from operations in its most recently completed financial year. See "Risk Factors".

Risk Factors

The activities of the Company are subject to risks inherent in the mining industry as well as the risks normally encountered by a newly established business, including but not limited to: negative cash flow; lack of adequate capital; liquidity concerns and future financing requirements to sustain operations; dilution; no history of operations and revenues and no history of earnings or dividends; competition; economic changes; and uninsured risks. None of the Company's properties have a history of commercial mining operations, revenues, earnings or dividends. An investment in the Company's securities is suitable only for those knowledgeable and sophisticated investors who are willing to risk a loss of their entire investment. Investors should consult with their professional advisors to assess an investment in the Company's securities.

There is currently no public market for the Common Shares and there can be no assurance that an active market for the Common Shares will develop or be sustained after the Listing. The value of the Common Shares is subject to volatility in market trends and conditions generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. See "Risk Factors".

Summary of Selected Financial Information

The following table sets out certain selected financial information of the Company for the periods and as at the dates indicated. This information has been derived from the audited financial statements and related notes thereto included in this Prospectus. The Company prepares its financial statements in accordance with IFRS. Investors should read the following information in conjunction with those financial statements and related notes thereto, along with the MD&A.

| As at December 31, (audited) | 2020 | 2019 |
|--|-------------|-------------|
| Financial positions | | |
| Working capital | \$157,481 | \$16,934 |
| Total assets | 206,195 | 18,553 |
| Total liabilities | 11,394 | 1,619 |
| Common Share capital | 209,840 | 18,500 |
| Deficit | (15,039) | (1,566) |
| Number of Common Shares outstanding | 13,067,100 | 3,700,100 |
| For the year ended December 31, (audited) | | |
| Financial results | | |
| General and administrative expenditures | \$13,473 | \$1,566 |
| Net loss | 13,473 | 1,566 |
| Net loss per Common Share – basic and | (0.00) | (0.00) |

See “Schedule “B” – Annual Financial Statements, Schedule “C” – Annual Management’s Discussion and Analysis”

CORPORATE STRUCTURE

Name, Address and Incorporation

The full name of the Company is “Burrell Resources Inc.” The Company was incorporated pursuant to the BCBCA under the name “Burrell Resources Inc.” on December 17, 2019, with authorized capital of an unlimited number of Common Shares without par value. The Company’s head office is located at #400 - 601 West Broadway, Vancouver, BC V5Z 4C2 and its registered and records office is located at 1200-750 West Pender, Vancouver, British Columbia V6C 2T8.

The Company’s Common Shares are not listed or posted for trading on any stock exchange.

Intercorporate Relationships

The Company has no subsidiaries.

DESCRIPTION OF THE BUSINESS

Overview

The Company is currently engaged in the business of mineral resource exploration primarily in the state of Nevada. All of the Company’s business and operations are carried on in Canada and Nevada, United States. Pursuant to the Antelope Option Agreements, the Company currently has an interest in a gold mineral exploration property in White Pine County, Nevada, referred to as the Antelope Project. See “Schedule “A” – Disclosure Regarding the Antelope Project”.

Since its incorporation, the Company has taken the following steps to develop its business:

- (1) sought and acquired an interest in a prospective gold property in Nevada, the Antelope Project. See “History and Significant Acquisition” below;
- (2) recruited directors and officers with the skills required to operate a publicly listed mineral exploration company;
- (3) raised aggregate gross proceeds of \$226,840 through the sale of an aggregate of 12,017,000 Common Shares from treasury at issued prices ranging from \$0.015 to \$0.02 per Common Share during the period from December 17, 2019, to the date of this Prospectus. The funds raised have provided sufficient capital to carry on the Company’s business to date and to cover the costs associated with the Offering. See “Prior Sales”; and
- (4) engaged the Agent, auditors and legal counsel to assist the Company in making an application for listing on the CSE, and to complete the Offering.

See “Use of Proceeds” and “Material Contracts”.

Business of the Company

Competitive Conditions

The Company competes with other exploration companies for the acquisition of mineral claims and other mineral interests, as well as for the recruitment and retention of qualified consultants. There is significant competition for the limited number of acquisition opportunities and, as a result, the Company may be unable to acquire precious and base metal mineral exploration properties in the future on terms it considers acceptable for all its stakeholders. Increased competition could adversely affect the Company's ability to attract necessary funding or acquire suitable properties or prospects for mineral exploration in the future. See "*Risk factors*".

Skills and Knowledge

All aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include expertise related to mineral exploration, geology, drilling, permitting, metallurgy, logistical planning, and implementation of exploration programs, as well as legal compliance, finance and accounting.

Business Cycle and Seasonality

The Company's business is not cyclical but is restricted by seasonal changes to the extent that may be unable to carry out exploration due to onerous seasonal conditions.

Environmental Protection

All phases of the Company's operations are subject to environmental regulation in each jurisdiction in which it operates. Environmental legislation is evolving in a manner which requires increasingly strict standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for Corporation's and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations, including its capital expenditures, earnings and competitive position. Management believes all of the Company's activities are in material compliance with all applicable environmental legislation.

History and Significant Acquisitions

The Company was founded on December 17, 2019, by Patrick McGrath. Lawrence O'Connor and N. Ross Wilmot joined the Company's Board and collectively have extensive experience in resource exploration. The principal business to be carried by the Company is in the exploration of mineral resources.

The Company has not carried out any significant acquisitions or dispositions other than the Company entering into the Antelope Option Agreements to acquire an interest in the Antelope Project.

Antelope-Project

The Antelope Project is comprised of an aggregate of 38 contiguous BLM lode-type claims which grant the Company mineral rights to the underlying 733 acres (297 hectares) of prospective ground, located in northeastern Nevada. The Company acquired its interest in the properties under two property lease and option agreements (collectively, the “**Antelope Option Agreements**”).

First Antelope Property Lease and Option Agreement

On August 13, 2020, the Company, as the lessee, entered into a lease and option agreement with Precious Metals LLC, as the lessor. The agreement was subsequently amended on December 11, 2020. The agreement applies to the Baldy 1-15, 17, 19, 21, 22 and 23 claims owned by Precious Metals, totaling 20 claims (the “**Precious Metals Claims**”). Under the terms of the lease, the Company agrees to pay all BLM maintenance fees and county recording fees to keep the Precious Metals Claims active and in good standing for the duration of the lease. The Company also agrees to pay to the Precious Metals LLC, lease payments as follows:

- (i) Approximately USD\$3,550 BLM for maintenance fee and county recording fees on or before August 31, 2020 (complete)
- (ii) USD\$10,000 on or before August 31, 2020 (complete);
- (iii) USD\$12,000 on or before November 30, 2022;
- (iv) USD\$17,000 on or before November 30, 2023;
- (v) USD\$22,000 on or before November 30, 2024; and
- (vi) USD\$26,000 on or before November 30, 2025 and on each anniversary date thereafter until the claims are in production.

The Company agrees to pay to the Precious Metals LLC a sliding scale NSR royalty based on gold price:

- (i) 1.50% when gold price is less than \$1,250 per ounce;
- (ii) 1.75% when gold price is between \$1,251 to \$1,500;
- (iii) 2.00% when gold price is between \$1,501 to \$1,750; and
- (iv) 2.50% when gold price is greater than \$1,750.

The Company is granted the exclusive right and option to acquire a 100% interest in the Precious Metals Claims prior to production by paying to Precious Metals LLC USD\$750,000 cash. The Company has the further option to purchase the NSR royalty prior to production by paying to Precious Metals LLC an additional USD\$750,000 cash.

Second Antelope Lease and Option Agreement

On November 2, 2020, the Company, as the lessee, entered into a lease and option agreement with Donald K. Jennings and James P. Robinson, as the lessors (the “**Lessors**”). The agreement was subsequently amended on January 11, 2021. The agreement applies to the Baldy 1-4, 7, 22-24, 29 and 31-33 claims owned by Jennings, and the Sherrie 1-3 and Yip 1-3 claims owned by Robinson, totaling 18 claims (the “**Jennings-Robinson Claims**”). Under the terms of the lease, the Company agrees to pay all BLM maintenance fees and county recording fees to keep the Jennings-Robinson Claims active and in good standing for the duration of the lease. The Company also agrees to pay to the Lessors, lease payments as follows:

- (i) USD\$2,500 on signing (complete)
- (ii) USD\$10,000 on the second anniversary;
- (iii) On the second anniversary, the Company shall issue to the Lessors a number of common shares equal to CAD\$10,000 divided by the weighted average closing price of the Lessee's common shares over the ten preceding trading days on the Canadian Stock Exchange, subject to any regulatory resale legends;
- (iv) USD\$15,000 on the third anniversary;
- (v) USD\$20,000 on the fourth anniversary;
- (vi) USD\$25,000 on the fifth anniversary; and
- (vii) USD\$30,000 on each subsequent anniversary

The Company is also required to complete a NI 43-101 technical report on the Antelope Property within six months of signing (Complete).

The Company agrees to pay to the Lessors a sliding scale NSR royalty based on gold price:

- (i) 2.00% when the gold price is less than \$1,000 per ounce;
- (ii) 2.25% when the gold price is between \$1,000 and \$1,500 per ounce;
- (iii) 2.50% when the gold price is between \$1,500 and \$2,000 per ounce;
- (iv) 2.75% when the gold price is between \$2,000 and \$2,500 per ounce; and
- (v) 3.00% when the gold price is more than \$2,500 per ounce.

The Company is granted the exclusive right and option at any time upon 30 days written notice to acquire half of the NSR royalty by paying the Lessors USD\$750,000.

The Company is granted the exclusive right and option at any time upon 30 days written notice to acquire a 100% interest in the Jennings-Robinson Claims and the NSR royalty by paying the Lessors USD\$4,000,000 cash.

Pursuant to both lease and option agreements, during the option period, the Company will be the operator of the Antelope Project and its agents and independent contractors will have the right to enter on the Antelope Project and to conduct exploration thereon and thereunder.

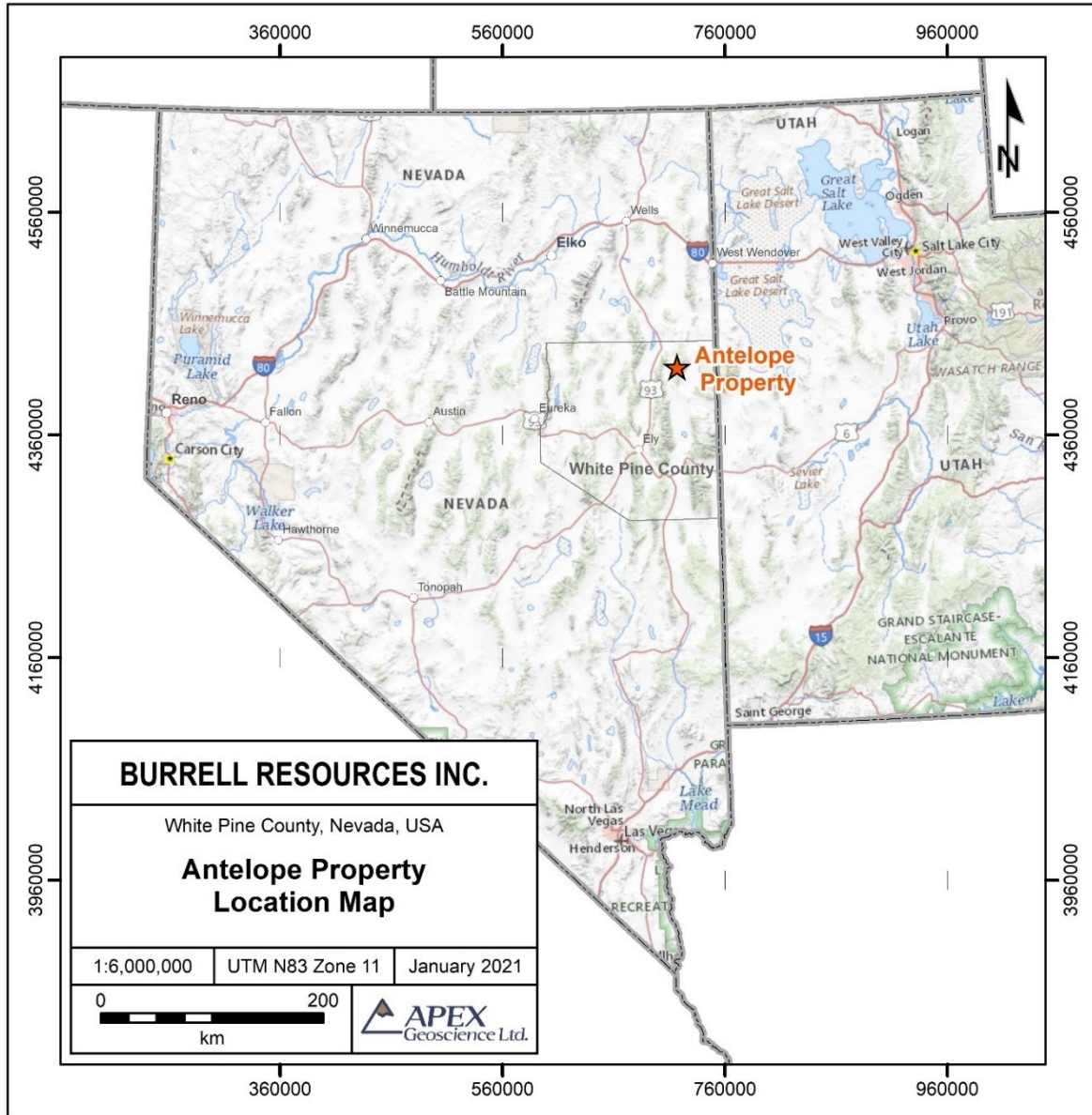
Current Financial Year

The company anticipates that in the current financial year the exploration of mining properties will constitute the principal business of the Company. The Company's primary objective following completion of the Offering is to undertake the Recommended Work Program at a cost of \$225,000.

THE ANTELOPE PROJECT

A summary of the relevant technical disclosure concerning the Antelope Project is attached as Schedule "A" to this Prospectus.

Figure 1 Antelope Property Location Map



USE OF PROCEEDS

Proceeds

The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Common Shares offered pursuant to the Offering in the provinces of British Columbia, Alberta and Ontario. If all of the Common Shares offered pursuant to this Offering are sold, the gross proceeds to the Issuer will be \$800,000.

This Offering is subject to the completion of a minimum subscription of 5,333,333 Common Shares for gross proceeds to the Issuer of \$800,000. If the minimum subscription is not completed within 90 days of the issuance of a receipt for the Prospectus, all subscription monies will be returned to Subscribers without interest or deduction. Subject to the foregoing, the Offering will remain open until the date that is 90 days after a receipt is issued for the Prospectus, unless an amendment to the Prospectus is filed and the principal regulator has issued a receipt for the amendment, in which case the Offering must cease within 90 days after the date of the receipt for the amendment to the Prospectus. In any event, the Offering must cease at the latest 180 days from the date of the receipt for the Prospectus.

Available Funds

The funds expected to be available to the Company upon completion of the Offering and the expected principal purposes for which such funds will be used are described below:

| Funds Available | Offering |
|---|------------------|
| Estimated working capital as of April 30, 2021 | \$82,000 |
| Net proceeds of the Offering ⁽¹⁾ | \$736,000 |
| Estimated expenses of the Offering ⁽²⁾ | (\$43,500) |
| Net Funds Available | \$774,500 |

(1) After Agent's Commission of 8% of the gross proceeds of the Offering.

(2) Comprised of the corporate finance fee of \$25,000 plus GST, less the 50% already paid of \$12,500, \$25,000 for the Agent's anticipated legal and other expenses for which a retainer of \$15,000 has been paid, an estimated \$21,000 in listing fees, for which \$15,000 has been paid, and other estimated fees and expenses.

Use of Proceeds

The net proceeds available on completion of the Offering, together with the Company's estimated working capital as at April 30, 2021, will be expended to complete the recommended exploration program on the Antelope Project and for general working capital purposes. The Company intends to use the funds as detailed in the following section:

| Principal Purpose | Offering |
|--|-----------------|
| Recommended Work Program ⁽¹⁾ | \$225,000 |
| Claim maintenance costs due on the Antelope Property on or before the one-year anniversary of the Listing Date | \$10,000 |
| To cover estimated general and administrative costs for the ensuing 12 months ⁽²⁾ | \$125,000 |
| Unallocated working capital | \$414,500 |

Totals:

\$774,500

Notes:

- (1) See "Recommendations" below under "Schedule A - Disclosure Regarding the Antelope Property".
- (2) The estimated general and administrative costs for the next 12 months are as follows:

| | |
|---|------------------|
| Office and Administration | \$5,000 |
| Professional Fees (legal and audit) | \$30,000 |
| Consultants | \$70,000 |
| Transfer Agent and Listing Fees | \$15,000 |
| Travel | \$5,000 |
| Total General and Administrative | \$125,000 |

There are no material related party transactions contemplated from the use of proceeds of this Offering. The Company does not expect a material impact from Covid on the use of proceeds other than as accounted for in the current estimated expenditures. If the Offering is completed, the Company will receive an estimated \$414,500 in unallocated working capital. While there is no specific use of these funds at present, the Company may use these funds to cover general and administrative expenses beyond the initial 12-month period that is funded or may use these funds on further Antelope Project work programs or possible on other unidentified mineral exploration projects.

This Offering is subject to the completion of subscriptions of 5,333,333 Common Shares (\$800,000). In the event such subscriptions are not attained within 90 days of the issuance of the final receipt for this Prospectus or, if a receipt is issued for an amendment to this Prospectus, within 90 days of the issuance of such receipt and, in any event, not later than 180 days from the date of the receipt for the Prospectus, all subscription monies will be returned to Subscribers without interest or deduction, unless the Subscribers have otherwise instructed the Agent.

Business Objectives and Milestones

The objectives that the Company expects to accomplish using its estimated working capital as at April 30, 2021, and net proceeds from the Offering, are as follows:

- complete the Offering and concurrently obtain a listing of its Common Shares on the CSE;
- complete the Recommended Work Program on the Antelope Project; and
- make the required payments to keep the mineral claims in good standing.

While the Company intends to spend its current working capital and the net proceeds of the Offering as stated above, there may be circumstances where, for sound business reasons, a re-allocation of funds may be necessary or advisable, and will depend on a number of factors, including those listed under the heading "Risk Factors".

The Company has had negative operating cash flow since the Company's inception, and the Company anticipates that it will have negative operating cash flow for the year ended December 31, 2021, in light

of its nature as a mineral exploration company. The Company will use the net proceeds from the Offering used to fund the Company's operations in future periods. See "Risk Factors".

DIVIDENDS OR DISTRIBUTIONS

The Company has not paid dividends since its incorporation. While there are no restrictions in the Company's articles or pursuant to any agreement or understanding which could prevent the Company from paying dividends or distributions, the Company has limited cash flow and anticipates using all available cash resources to fund working capital and grow its business. As such, there are no plans to pay dividends in the foreseeable future. Any decisions to pay dividends in cash or otherwise in the future will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions existing at the time a determination is made.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Company's Annual Financial Statements and MD&A are included as schedules to this Prospectus as Schedule "B" and Schedule "C", respectively.

The Financial Statements and the financial data derived therefrom and included in this Prospectus have been prepared in accordance with IFRS. The Company's MD&A included herein should be read in conjunction with the Financial Statements and the disclosure contained in this Prospectus.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Common Shares

The Company's authorized capital consists of an unlimited number of Common Shares, of which 12,067,000 Common Shares are issued and outstanding as at the date of this Prospectus. Holders of the Common Shares are entitled to one vote per Common Share at all meetings of the holders of Common Shares of the Company and, subject to the rights of holders of any Common Shares ranking in priority to or on a parity with the Common Shares, to participate ratably in any distribution of the Company's property or assets upon liquidation or wind-up.

The Board of 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.

Options

As at the date of this Prospectus, the Company has granted the following stock options:

| Name of optionee | Number | Exercise Price | Expiry |
|-------------------|---------|----------------|------------------------------|
| Patrick McGrath | 250,000 | Offering Price | Five years from Listing Date |
| N. Ross Wilmot | 150,000 | Offering Price | Five years from Listing Date |
| Lawrence O'Connor | 150,000 | Offering Price | Five years from Listing Date |
| Kenneth Taylor | 150,000 | Offering Price | Five years from Listing Date |

CONSOLIDATED CAPITALIZATION

The following tables provide information about capitalization as of December 31, 2020:

| Description of security | Number authorized to be issued | Amount outstanding as of December 31, 2020 | Amount outstanding as of the date of this Prospectus |
|-------------------------|---|--|--|
| Common Shares | No maximum | 13,067,100 | 12,067,000 ⁽¹⁾ |
| Stock Options | 10% of issued and outstanding Common Shares | Nil | 700,000 |
| Warrants | N/A | Nil | Nil |

Notes:

(1) In May 2021, 100 incorporating Common Shares and 1,000,000 Founder Common Shares were cancelled and returned to the treasury.

As at the date of this Prospectus, and after giving effect to the intended issuance of securities under the Offering, it is anticipated that the capitalization of the Company will be as follows:

| Description of Security | Assuming Closing of Offering |
|------------------------------|------------------------------|
| Common Shares ⁽¹⁾ | 17,400,333 |
| Stock Options ⁽²⁾ | 700,000 |
| Warrants | Nil |

Notes:

(1) Includes Common Shares issued pursuant to the Offering.

(2) To be granted pursuant to the Company's Stock Option Plan. See "Options to Purchase Securities" and "Prior Sales".

OPTIONS TO PURCHASE SECURITIES

Stock Option Plan

The Board has adopted a stock option plan (the “**Stock Option Plan**”) whereby the maximum number of Common Shares that may be reserved for issuance under outstanding stock options is 10% of the Company’s issued and outstanding Common Shares on a non-diluted basis, as constituted on the date of any grant of options under the Stock Option Plan. The purpose of the Stock Option Plan is to allow the Company to grant options to directors, officers, employees and consultants as additional compensation and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the Company’s Common Shareholders.

Under the Stock Option Plan, options will be exercisable over periods of up to 10 years as determined by the Board and are required to have an exercise price no less than the closing market price of the Common Shares on the trading day immediately preceding the day on which the Company announces the grant of options (or, if the grant is not announced, the date specified in an option agreement as the date on which the option is granted), less the applicable discount, if any, permitted by the policies of the CSE and approved by the Board. The exercise price will be subject, notwithstanding the application of any applicable discount, to a minimum of \$0.05. Pursuant to the Stock Option Plan, the Board may from time to time authorize the issue of options to directors, senior officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The maximum number of Common Shares which may be issued pursuant to options previously granted and those granted under the Stock Option Plan or any other stock option plan of the Company will be 10% of the issued and outstanding Common Shares at the time of the grant. In addition, the number of Common Shares which may be reserved for issuance to any one individual may not exceed (without the requisite disinterested Common Shareholder approval) 5% of the issued Common Shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. The Stock Option Plan permits the Board to specify a vesting schedule in its discretion, subject to the CSE’s minimum vesting requirements, if any. Unless otherwise specified by the Board at the time of granting an option, and subject to the other limits on option grants set out in the Stock Option Plan, all options granted under the Stock Option Plan shall vest and become exercisable in full upon grant, except options granted to consultants performing investor relations activities, which options must vest in stages over twelve months with no more than one-quarter of the options vesting in any three-month period.

The Stock Option Plan provides that if an acceleration event (as defined in the Stock Option Plan) occurs, including but not limited to an acquisition of beneficial ownership of more than 50% of the votes attached to the outstanding voting securities of the Company, by means of a take-over bid or otherwise, a statutory amalgamation, arrangement, etc., the Board must provide notice to all optionees of such acceleration event and in which case, the Board may, by resolution, notwithstanding any vesting schedule applicable to any option, permit outstanding options to become immediately exercisable during the period specified in the notice. The Board may also accelerate the expiry date of outstanding options in connection with a take-over bid.

The Stock Option Plan contains adjustment provisions with respect to outstanding options in cases of Common Share reorganizations, special distributions and other corporate reorganizations including an arrangement or other transaction under which the business or assets of the Company become, collectively, the business and assets of two or more companies with the same Common Shareholder

group upon the distribution to the Company’s Common Shareholders, or the exchange with the Company’s Common Shareholders, of securities of the Company or securities of another company.

The Stock Option Plan provides that on the death or disability of an option holder, all vested options will expire at the earlier of 365 days after the date of death or disability and the expiry date of such options. Where an optionee is terminated for cause, any outstanding options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or voluntarily resigns or is otherwise terminated by the Company other than for cause, then all vested options held by such optionee will expire at the earlier of (i) the expiry date of such options and (ii) the date which is 90 days after the optionee ceases its office, employment or engagement with the Company.

All outstanding options of the Company are governed by the Stock Option Plan, including those issued prior to the implementation of the Stock Option Plan; however, any vesting schedule imposed by the Company’s previous stock option plan or stock option agreements in respect of any options issued prior to the implementation of the Stock Option Plan will remain in full force and effect. In accordance with good corporate governance practices and as recommended by National Policy 51-201 – *Disclosure Standards*, the Company will impose black-out periods restricting the exercising of options and trading of its securities by directors, officers, employees and consultants during periods surrounding the release of annual and interim financial statements and at other times when deemed necessary by management and the Board. In order to ensure that holders of outstanding options are not prejudiced by the imposition of such black-out periods, the Stock Option Plan contains a provision to the effect that any outstanding options with an expiry date occurring during a management imposed black-out period or within five trading days thereafter will be automatically extended to a date that is 10 trading days following the end of the black-out period.

Outstanding Options

As of the date of this Prospectus, the Company has 700,000 stock options outstanding, which are held by directors and officers of the Company pursuant to the Stock Option Plan.

| Optionee | Number of Options | Exercise Price | Date of Grant |
|-------------------|-------------------|----------------|------------------|
| Patrick McGrath | 250,000 | Offering Price | February 9, 2021 |
| N. Ross Wilmot | 150,000 | Offering Price | February 9, 2021 |
| Lawrence O’Connor | 150,000 | Offering Price | February 9, 2021 |
| Kenneth Taylor | 150,000 | Offering Price | February 9, 2021 |
| TOTAL | 700,000 | | |

See also “*Description of the Securities Distributed*”.

PRIOR SALES

Since the date of its incorporation (December 17, 2019), the Company has issued (other than pursuant to the Offering) the following securities:

| Date of Issue | Type of Securities | Reason for Issue | Number of Securities | Issue or Exercise Price per Security |
|-------------------|--------------------|--|--------------------------|--------------------------------------|
| December 17, 2019 | Common Shares | Incorporation | 100 ⁽¹⁾ | \$0.005 |
| December 19, 2019 | Common Shares | Founder Common Shares | 3,700,000 ⁽²⁾ | \$0.005 ⁽²⁾ |
| September 8, 2020 | Common Shares | Private Placement | 9,317,000 | \$0.02 |
| November 2, 2020 | Common Shares | Liberty Gold Corp. data acquisition ⁽³⁾ | 50,000 | \$0.10 |
| February 9, 2021 | Stock Options | Compensation | 700,000 | Offering Price |

Notes:

- (1) In May 2021, the 100 incorporating Common Shares were cancelled and returned to treasury for no consideration.
- (2) In May 2021, 1,000,000 Founder Common Shares were cancelled and returned to treasury and the balance of 2,700,000 Founder Common Shares were re-priced from \$0.005 per share to \$0.015 per share. The re-pricing of the Founder Common Shares resulted in the receipt of an additional \$22,000 in cash to the Company in May 2021.
- (3) These Common Shares were issued to Liberty Gold Corp. pursuant to a data acquisition agreement for the Antelope Project.

ESCROWED SECURITIES

National Policy 46-201 – *Escrow for Initial Public Offerings (“NP 46-201”)* provides that all securities of an issuer owned or controlled by a Principal (as defined in NP 46-201) must be placed in escrow at the time the issuer distributes its securities to the public by prospectus pursuant to an initial public offering.

In the event that the Company’s Common Shares become listed on the CSE, the Company anticipates that it will be classified as an “emerging issuer”, as defined under NP 46-201. Patrick McGrath (the “**Escrow Holder**”) would fall within the definition of “principal” of an emerging issuer under NP 46-201 or would otherwise be treated in the same manner as a principal under NP 46-201. Principals holding less than 1% of the Common Shares of the Company immediately following the Closing of the Offering are exempt from escrow.

In accordance with applicable securities rules, the Escrow Holder who holds securities of the Company that are subject to escrow will execute an escrow agreement with the Company and the Escrow Agent substantially in the form attached as an Appendix to NP 46-201 (Form 46-201F1) (the “**Escrow Agreement**”) in respect of an aggregate of 2,250,000 Common Shares. The Escrow Agreement will be filed under the Company’s profile at www.sedar.com upon the issuance of the final receipt for this Prospectus.

Based on the escrow classification of the Company as an emerging issuer, a principal of the Company would have been required under NP 46-201 to enter into an escrow agreement whereby the principal would agree not to transfer or otherwise dispose of securities of the Company, subject to the following automatic timed releases which would apply to such securities (the “**Prescribed Escrow Release Schedule**”):

| Date of Automatic Timed Release | Amount of Escrowed Securities Released |
|--|---|
| On the Listing Date | 10% of the escrowed securities |
| 6 months after the Listing Date | 15% of the remaining escrowed securities |
| 12 months after the Listing Date | 15% of the remaining escrowed securities |
| 18 months after the Listing Date | 15% of the remaining escrowed securities |
| 24 months after the Listing Date | 15% of the remaining escrowed securities |
| 30 months after the Listing Date | 15% of the remaining escrowed securities |
| 36 months after the Listing Date | The remaining escrowed securities |

The following table sets out information on the number of securities that are subject to the terms of the Escrow Agreement among the Company, the Escrow Agent, and the Escrow Holder who holds securities of the Company that are subject to escrow:

| Name and Position of Escrow Holder | Number of Escrowed Securities | Percentage of Class |
|---|--------------------------------------|----------------------------|
| Patrick McGrath CEO and Director | 2,250,000 Common Shares | 12.93% ⁽¹⁾ |

Notes:

- (1) Based on 17,400,333 issued and outstanding Common Shares which assumes completion of the Offering.

PRINCIPAL COMMON SHAREHOLDERS

To the knowledge of the Company’s directors and officers, the only person who beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to the issued and outstanding Common Shares is as follows:

| Name | Position or Office held with the Company | Common Shares Beneficially Owned or Controlled | Percentage of Ownership on an Undiluted Basis⁽¹⁾ | Percentage Ownership on an Undiluted Basis⁽²⁾ | Percentage of Ownership on a Fully-Diluted Basis⁽³⁾ |
|--------------------------------|---|---|--|---|---|
| Patrick McGrath ⁽⁶⁾ | CEO and Director | 2,250,000 | 18.65% | 12.93% | 14.16% |

Notes:

- (1) Based on 12,067,000 issued and outstanding Common Shares.

- (2) Based on 17,400,333 issued and outstanding Common Shares, assuming completion of the Offering.
- (3) Based on 17,650,333 issued and outstanding Common Shares, assuming completion of the Offering and includes the exercise of Mr. McGrath's 250,000 outstanding options.
- (4) All Common Shares are owned both of record and beneficially.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation, and Security Holdings

The following table sets forth particulars regarding the current Directors and Officers of the Issuer as at the date of this Prospectus:

| Name, Current Position, and Province and Country of Residence | Position Held Since | Common Shares Beneficially Owned or Controlled | Number of Convertible or Exchangeable Securities Outstanding | Total Ownership on an Undiluted Basis ⁽²⁾ | Total Ownership on a Fully-Diluted Basis ⁽³⁾ |
|---|--|--|--|--|---|
| Patrick McGrath, CPA, CGA ⁽¹⁾ CEO and Director Halifax, Nova Scotia | CEO and Director since December 17, 2019 | 2,250,000 | 250,000 stock options | 18.65% | 19.58% |
| N. Ross Wilmot, CPA, CA ⁽¹⁾ Director Surrey, British Columbia | Director since December 17, 2019 | 150,000 | 150,000 stock options | 1.24% ⁽⁴⁾ | 2.35% |
| Lawrence O'Connor ⁽¹⁾ Director Reno, Nevada | Director since December 17, 2019 | 150,000 | 150,000 stock options | 1.24% ⁽⁴⁾ | 2.35% |
| Kenneth Taylor CFO Surrey, British Columbia | CFO since December 17, 2019 | 150,000 | 150,000 stock options | 1.24% ⁽⁴⁾ | 2.35% |

Notes:

- (1) Member of the audit committee, of which N. Ross Wilmot is the Chair.
- (2) Based on 12,067,000 issued and outstanding Common Shares.
- (3) Based on 12,767,100 issued and outstanding Common Shares on a fully-diluted basis, assuming exercise of all 700,000 currently outstanding options.
- (4) Taking into consideration the Common shares issued under this Prospectus, if the Offering is achieved each person highlighted will have a total ownership of 0.86%.

Term of Office of Directors

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

Aggregate Ownership of Securities

As at the date of this Prospectus, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercise control over 2,700,000 Common Shares collectively representing 22.38% of the 12,067,000 issued and outstanding Common Shares.

Management – Directors and Officers of the Company

Patrick McGrath (Age: 49) – Chief Executive Officer and Director

Mr. McGrath is an experienced executive officer with over 20 years of resource development experience in both the United States and Canada. Mr. McGrath graduated from Memorial University of Newfoundland with a Bachelors of Commerce degree and is a member of the Chartered Professional Accountants of Canada.

In the last five years, Mr. McGrath has held the following roles in the following companies: Chief Financial Officer of Cub Energy Inc., an upstream oil and gas company (July 2013 to February 2020) and appointed interim Chief Executive Officer in February 2020; Chief Financial Officer of Anatolia Energy Inc. which was acquired by Cub Energy in 2013 (March 2011 to June 2013); Chief Executive Officer of Blue Moon Zinc Corp., zinc mining exploration and development company (May 2017 to present); the Chief Executive Officer (January 2018 to May 2020) and the Chief Financial Officer (January 2018 to June 2020) of Gold Line Resources Ltd., a gold exploration company. To Mr. McGrath's knowledge, each of these entities are still carrying on business except: Anatolia Energy Inc. which was acquired by Cub Energy in 2013.

As the Chief Executive Officer of the Company, Mr. McGrath is responsible for the day-to-day operations, outside contractors and service providers, acquisitions, and project development, and of the financial operations of the Company in conjunction with the Chief Financial Officer. Mr. McGrath anticipates devoting approximately one-third of his working time for the benefit of the Company. Mr. McGrath is neither an independent contractor nor an employee of the Company and has not entered into a non-competition or non-disclosure agreement with the Company.

Kenneth Taylor (Age: 49) – Chief Financial Officer

Mr. Taylor brings experience as an executive within both junior and advanced mining issuers as well as a diverse range of financial sector experience. Mr. Taylor is a designated Certified Credit Professional with Credit Institute of Canada.

In the last five years, Mr. Taylor has held the following roles in the following companies: credit manager of Medicaid Finance Inc., an elective medicine financing company (July 2000 to present); director of Barksdale Capital Corp., an advanced precious and base metals exploration company (November 2012 to August 2016); and director of Gold Line Resources Ltd., a gold exploration and mining company (January 2018 to May 2020). To Mr. Taylor's knowledge, each of these entities are still carrying on business.

As the Chief Financial Officer of the Company, Mr. Taylor is responsible for overseeing financial operations of the Company. Mr. Taylor anticipates devoting approximately 10% of his working time for the benefit of the Company. Mr. Taylor is neither an independent contractor nor an employee of the Company and has not entered into a non-competition or non-disclosure agreement with the Company.

N. Ross Wilmot (Age: 77) – Director

Mr. Wilmot is a professional accountant who has provided public companies with senior financial management services for more than 25 years. Mr. Wilmot has been involved in numerous business valuations and acquisitions, high tech start-ups, and international mining operations. Mr. Wilmot graduated

from the University of Toronto with a Bachelor in Science and a Masters in Science. Mr. Wilmot is a member of the Chartered Professional Accountants of Canada.

In the last five years, Mr. Wilmot held the following roles in the following companies: Chief Financial Officer of Orex Minerals Inc., a junior mineral exploration company (May 2004 to the present); Chief Financial Officer of Barsele Minerals Corp., a junior gold exploration company (September 2015 to the present); director of FTC Cards Inc., a data processing company (July 2012 until August 2020); director for Silver Viper Minerals Corp., a junior mineral exploration (September 2018 to the present); director of Barksdale Capital Corp., an advanced precious and base metals exploration company (November 2012 to August 2016); and director of Gold Line Resources Ltd., a gold exploration and mining company (January 2018 to May 2020). To Mr. Wilmot's knowledge, each of these entities are still carrying on business.

As a Director of the Company, Mr. Wilmot will provide his skills and expertise where needed. Mr. Wilmot anticipates devoting approximately 10% of his working time for the benefit of the Company. Mr. Wilmot is neither an independent contractor nor an employee of the Company and has not entered into a non-competition or non-disclosure agreement with the Company

Lawrence O'Connor (Age: 60) – Director

Mr. O'Connor has over thirty years of experience in senior management of numerous private and public resource companies. Mr. O'Connor holds a Bachelor of Science in geology from Fort Lewis College. Mr. O'Connor is a registered member of the Society for Mining, Metallurgy, and Exploration based in the United States.

In the last five years, Mr. O'Connor held the following roles in the following companies: CEO and founder of Sonoran Gold Ltd., a gold exploration and mining company (2012 to current); and Vice President, Project Development at Teras Resources Inc., a junior mining exploration and development company (May 2018 to November 2020). To Mr. O'Connor's knowledge, each of these entities are still carrying on business.

As a Director of the Company, Mr. O'Connor will provide his skills and expertise where needed. Mr. O'Connor anticipates devoting approximately 10% of his working time for the benefit of the Company. Mr. O'Connor is neither an independent contractor nor an employee of the Company and has not entered into a non-competition or non-disclosure agreement with the Company. Mr. O'Connor is a member of the Company's audit committee.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

To the Company's knowledge, other than described below, no existing or proposed director or executive officer of the Company or promoter of the Company is, as at the date of this Prospectus, or was within ten (10) years before the date hereof, a director, chief executive officer or chief financial officer of any company, including the Company, that:

- (i) was subject to an order that was issued while the director or executive officer was acting in the capacity of a director, the chief executive officer or the chief financial officer thereof; or

- (ii) was subject to an order that was issued after the director or executive officer ceased to be a director, the chief executive officer or the chief financial officer thereof and which resulted from an event that occurred while that person was acting in such capacity.

For the purposes of the above, “order” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

On June 10, 2003, while Mr. Wilmot was a director and officer of CTF Technologies Inc. (“CTF”), CTF was subject to a cease trade order in British Columbia for failure to file its financial statements for the year ended December 31, 2002, and for the first quarter ended March 31, 2003. The financial statements were filed and the management cease trade order was revoked on April 4, 2008.

Bankruptcies

To the Company’s knowledge, no existing or proposed director or executive officer of the Company or promoter of the Company or a Common Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (i) is, as at the date of this Prospectus, or has been within the ten (10) years before the date hereof, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (ii) has, within the ten (10) years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became 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 Common Shareholder.

Penalties or Sanctions

To the Company’s knowledge, no existing or proposed director or executive officer of the Company or promoter of the Company or a Common Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

- (i) any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority or has entered into a settlement with a provincial and territorial securities regulatory authority; or
- (ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

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, any director in a conflict will disclose his interest and abstain from voting on such matter at a meeting of the Board.

To the best of the Company's knowledge, and other than as disclosed in this Prospectus, 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 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.

EXECUTIVE COMPENSATION

The Company was not a reporting issuer at any time during the Company's most recently completed financial year. Accordingly, and in accordance with Form 51-102F6 – *Statement of Executive Compensation* ("**Form 51-102F6**"), the following is a discussion of all significant elements of compensation to be awarded to, earned by, paid to or payable to Named Executive Officers of the Company, once the Company becomes a reporting issuer, to the extent this compensation has been determined. For the purposes hereof, the term Named Executive Officer means each Chief Executive Officer, each Chief Financial Officer and the Company's most highly compensated executive officer, other than the Chief Executive Officer and the Chief Financial Officer, who was serving as an executive officer as at the end of the Company's most recently completed financial year and whose total compensation exceeds \$150,000 and any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the Company's most recently completed financial year.

The Company expects that for the fiscal year ended December 31, 2021, its Named Executive Officers will be Patrick McGrath (CEO) and Kenneth Taylor (CFO).

Compensation Discussion and Analysis

At its present stage of development, the Company does not have any formal objectives, criteria and analysis for determining the compensation of its Named Executive Officers and primarily relies on the discussions and determinations of the board of directors. Though the Company does not have pre-existing performance criteria, objectives or goals, it is anticipated that, once the Company becomes a reporting issuer, the Company's audit committee will review all compensation arrangements and policies in place and consider recommending to the Board the adoption of formal compensation guidelines.

During the most recent financial year, neither the CEO nor the CFO was paid any remuneration. Following the Listing Date, the Company expects to pay fees for management services as set forth under and "*Employment, Consulting and Management Agreements*" below.

The Company has also granted incentive stock options to the Company's directors and management, including Named Executive Officers, pursuant to the Stock Option Plan. Going forward, the Board will, from time to time, determine the stock option grants to be made pursuant to the Stock Option Plan after consultation with the Company's audit committee. See "*Stock Option Plan*" below and "*Options to Purchase Securities*." In addition, it is anticipated that the Board may award bonuses, in its sole discretion, to executive officers, including Named Executive Officers, from time to time after consultation with the Company's audit committee. See "*Corporate Governance Disclosure – Compensation*".

There were no management fee payments made to Named Executive Officers for management services provided to the Company in connection with their executive officer duties for the most recently completed financial year ending December 31, 2020, nor the period ended December 31, 2019.

Stock Option Plan

The Company has granted stock options to directors, officers (including Named Executive Officers), employees and consultants of the Company, as additional compensation and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the Company's Common Shareholders.

In determining the number of options to be granted to directors or executive officers, including the Named Executive Officers, the Board will consider, among other things:

- the number of options, if any, previously granted to each director or executive officer; and
- the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the CSE and closely align the interests of the directors and executive officers with the interests of Common Shareholders.

The independent members of the Board have the responsibility of administering the compensation policies related to the directors and executive management of the Company, including option-based awards.

The Stock Option Plan has not been approved by the Common Shareholders of the Company. In accordance with the policies of the CSE, after the Listing Date, the Company must obtain Common Shareholder approval of its Stock Option Plan on an annual basis at each annual general meeting of Common Shareholders.

See "*Options to Purchase Securities*" for the material terms of the Stock Option Plan.

Employment, Consulting and Management Agreements

The Company is not party to any agreement or arrangement under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company by a director or Named Executive Officer or performed by any other party but are services typically provided by a director or Named Executive Officer. Following the Closing of the Offering, the Company will compensate Patrick McGrath or a company associated with Mr. McGrath, \$3,000 per month for administrative and management services as Chief Executive Officer of the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Company, or any associate or affiliate of such person is or has ever been indebted to the Company; nor has any such person's indebtedness to any other entity been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company.

AUDIT COMMITTEE INFORMATION

Audit Committee

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

Audit Committee Charter

The text of the Company's audit committee charter is attached as Schedule "D" hereto.

Composition of Audit Committee and Independence

The following are the members of the audit committee:

| | | |
|------------------------|--------------------------------|-------------------------------------|
| N. Ross Wilmot (Chair) | Independent ⁽¹⁾ | Financially literate ⁽²⁾ |
| Patrick McGrath | Not independent ⁽¹⁾ | Financially literate ⁽²⁾ |
| Lawrence O'Connor | Independent ⁽¹⁾ | Financially literate ⁽²⁾ |

Note:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Mr. McGrath is not independent as he is the Chief Executive Officer of the Company.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

In accordance with section 6.1.1(3) of NI 52-110 relating to the composition of the audit committee for venture issuers, a majority of the members of the audit committee are not executive officers, employees or control persons of the Company. All members of the audit committee are financially literate as required by section 1.6 of NI 52-110.

Relevant Education and Experience

Each of the members of the audit committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves, and will seek clarification from the Company's auditors, where required;
- (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.

The relevant education and experience of each member of the Committee is as follows:

N. Ross Wilmot (Chair)

Mr. Wilmot is a professional accountant who has provided public companies with senior financial management services for more than 25 years. Mr. Wilmot has been involved in numerous business valuations and acquisitions, high tech start-ups and international mining operations. For example, Mr. Wilmot was a founder and Chief Financial Officer of Orko Silver Corp. Mr. Wilmot is a member of the Chartered Professional Accountants of Canada.

Patrick McGrath

Mr. McGrath is a professional accountant and has extensive experience in reorganizing and financing companies in the mineral and oil and gas sectors. Mr. McGrath is currently the Chief Executive Officer of Blue Moon Zinc Corp. Mr. McGrath graduated from Memorial University of Newfoundland with a Bachelors of Commerce degree and is a member of the Chartered Professional Accountants of Canada.

Lawrence O'Connor

Mr. O'Connor is a professional geologist who has extensive experience in permitting and mine start-ups. Mr. O'Connor was the VP Operations at Western Goldfields where he played a key role in the restart of the Mesquite mine (now owned by Equinox Gold) located in the United States.

See also "*Directors and Executive Officers*" and "*Management of the Company*" concerning the education and experience of each member of the Audit Committee.

Audit Committee Oversight

At no time has a recommendation of the Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110; or
- (b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*) of NI 52-110; or
- (c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*) of NI 52-110; or
- (d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) of NI 52-110; or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

Pre-Approval Policies and Procedures

The audit committee has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The following table sets out the fees billed by Davidson & Company to the Company during the fiscal years ending December 31:

| <i>Financial Year</i> | <i>Audit Fees</i> | <i>Audit Related Fees</i> | <i>Tax Fees</i> | <i>All Other Fees</i> |
|------------------------------|--------------------------|----------------------------------|------------------------|------------------------------|
| 2020 | \$7,500 | Nil | Nil | Nil |
| 2019 ⁽¹⁾ | Nil | Nil | Nil | Nil |

Note:

⁽¹⁾ Information for 2019 is for the period from incorporation (December 17, 2019) to December 31, 2019.

Exemption

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

CORPORATE GOVERNANCE DISCLOSURE

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 reviews its procedures on an ongoing basis to ensure it is functioning independently of management. As circumstances require, the Board meets without management present and convenes meetings, as deemed necessary, of the independent directors, at which meetings non-independent directors and members of management are not in attendance. When conflicts arise, interested parties are precluded from voting on matters in which they may have an interest.

Composition

The Company's Board consists of three directors, two of whom are independent. Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the opinion of the Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

N. Ross Wilmot and Lawrence O'Connor are independent. Patrick McGrath is the Chief Executive Officer of the Company and, therefore, not independent.

Directorships

The following directors of the Company also serve as directors of other reporting issuers:

| Name of Director | Other Reporting Issuer | Name of Exchange or Market |
|------------------|-----------------------------|----------------------------|
| Patrick McGrath | Blue Moon Zinc Corp. | TSX Venture Exchange |
| | Cub Energy Inc. | TSX Venture Exchange |
| N. Ross Wilmot | Orex Minerals Inc. | TSX Venture Exchange |
| | Barsele Minerals Corp. | TSX Venture Exchange |
| | Silver Viper Minerals Corp. | TSX Venture Exchange |

Orientation and Continuing Education

The Company's Board is responsible for, among other things, providing suitable programs, with the assistance of management, for the orientation of new directors and the continuing education of incumbent directors. Each new director is given an outline of the nature of the Company's business, its corporate strategy, and current issues within the Company. New directors are encouraged to review the Company's public disclosure records and are also required to meet with management of the Company to discuss and better understand the Company's business and are given the opportunity to meet with counsel to the Company to discuss their legal obligations as directors of the Company.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

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 Company does not have a stand-alone nomination or corporate governance committee. The Company's Board is responsible for, among other things, identifying qualified candidates for appointment, election and re-election to the Board and its committees.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, integrity of character, and a willingness to serve. In identifying candidates for appointment to the Board, the Board considers, among other factors and in the context of the needs of the Board, potential conflicts of interest, professional experience, personal character, diversity, outside commitments and particular areas of expertise.

Compensation

The Company does not have a stand-alone compensation committee. The Company's audit committee will oversee the compensation of the Company's executive officers and senior management. The independent members of the audit committee, N. Ross Wilmot and Lawrence O'Connor, will approve compensation for executive officers of the Company who are also members of the Board.

Our goal in determining compensation for the Company's directors and executive officers is to adequately incentivize their performance and to compensate them for their time and effort expended and the risk they incurred acting for the Company, while at the same time taking into account the financial and other resources of the Company.

The audit committee will annually review the performance of the executive officers in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives.

Other Board Committees

The Company does not have any other 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. On an ongoing annual basis, the Board assesses the

performance of the Board as a whole, each of the individual directors, and each committee of the Board in order to satisfy itself that each is functioning effectively. As part of the assessments, the Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

PLAN OF DISTRIBUTION

Agency Agreement and Agent's Compensation

The Offering will be made in accordance with the Agency Agreement and the rules and policies of the CSE.

This Offering consists of a 5,333,333 Common Shares. The Offering is subject to the receipt by the Agent of a minimum subscription of 5,333,333 Common Shares at a price of \$0.15 per for gross proceeds to the Company of \$800,000, which proceeds shall be held by the Agent pending the completion of the Offering. If the minimum subscription is not completed within 90 days of the issuance of a receipt for the Prospectus, or if a receipt has been issued for an amendment to the Prospectus, within 90 days of the issuance of such receipt and in any event not later than 180 days from the date of receipt for the Prospectus, the distribution will cease, and all subscription monies will be returned to the subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

Pursuant to the Agency Agreement, the Company has engaged the Agent to act as its exclusive agent to conduct the Offering in the Provinces of British Columbia, Alberta, and Ontario, on a commercially reasonable efforts basis. The Agent will receive, on the Closing Date:

- (i) The Corporate Finance fee of \$25,000 (plus GST) of which \$12,500 has been paid;
- (ii) The Agent's Commission of 8% of the gross proceeds of the Offering, payable in cash; and
- (iii) The Agent's Expenses, of which a retainer of \$15,000 has been paid toward such expenses.

Subject to completion of the Offering, the Company has also agreed that the Agent will have a right of first refusal to act as the Issuer's fiscal agent for any brokered financing for 12 months following the completion of the Offering.

Commercially Reasonable Efforts Offering

The Agent has agreed to assist with the Offering on a commercially reasonable efforts basis, but is not obligated to purchase any of the Common Shares for its own account.

Subscriptions will be received for the Common Shares subject to rejection or acceptance by the Company in whole or in part and the right is reserved to close the subscription books at any time. Upon rejection of a subscription or in the event that the Offering does not complete within the term of the Agency Agreement or the time required by the rules of the applicable securities commission, the subscription price and the subscription will be returned to the subscriber forthwith without interest or deduction.

Except as otherwise required by law or in accordance with certain regulatory requirements, it is anticipated that the Common Shares will be issued under the book-based system. At Closing, certificates representing the Common Shares acquired by persons hereunder will be deposited electronically with

the Canadian Depository for Securities Limited ("**CDS**") or its nominee through its non-certificated inventory ("**NCI**") system. If delivered in book entry form, purchasers of Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Shares were purchased.

Subscribers will not be entitled to a certificate or other instrument from the Company or the Company's transfer agent evidencing that person's interest in or ownership of Common Shares, nor, to the extent applicable, will such holder be shown on the records maintained by CDS, except through an agent who is a CDS Participant. However, subscribers participating in the book-based system may, through the applicable CDS Participant, request that such Common Shares be issued to such holder as soon as reasonably practicable.

The Agency Agreement provides that, upon the occurrence of certain stated events such as the breach of any term of the Agency Agreement by the Company or at the discretion of the Agent on the basis of its assessment of the state of the financial markets or the market for the Shares that the Shares cannot be marketed profitably, the Agent may terminate the Offering.

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

Closing of the Offering is subject to conditions which are set out in the Agency Agreement.

Determination of Common Share Price

The Offering Price of the Common Shares has been determined through arm's length negotiations between the Company and the Agent.

Listing Application

The Company has applied to have its Common Shares listed on the CSE. Listing is subject to the Company fulfilling all of the listing requirements of the CSE

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

RISK FACTORS

An investment in the Common Shares is highly speculative due to the nature of the Company's business and the present stage of development. An investment in the Common Shares should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the loss of their entire investment. The following risks, as well as risks currently unknown to the Company, could adversely affect the Company's current or future business, properties, operations, results, cash flows, financial condition and prospects and could cause future results, cash flows, financial condition, prospects, events or circumstances to differ materially from those currently expected, including the estimates and projections contained in this Prospectus. Investors should carefully consider the risks described below and elsewhere in this Prospectus. The risks described below and elsewhere in this Prospectus do not purport to be an exhaustive summary of the risks affecting the Company and additional risks and uncertainties not currently known to the Company or not currently perceived as being material may have an adverse effect on the Company

Risk Relating to the Company's Business

Exploration Stage Company

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

Title Matters

While the Company has reviewed title to the claims comprising the Antelope Project in the mineral claims online registry maintained by the BLM and, to the best of the Company's knowledge, each of such title is in good standing, there is no guarantee that title to such claims will not be challenged or impugned. The Antelope Project may be subject to prior unregistered agreements of transfer or aboriginal land claims, and title for each property may be affected by undetected defects.

Surface Rights

The Company does not control the surface rights over the claims which comprise its mineral properties. If a significant mineralized zone is identified, detailed environmental impact studies will need to be completed prior to initiation of any advanced exploration or mining activities. There is no guarantee that areas needed for mining activities, including potential mine waste disposal, heap leach pads, or areas for processing plants, will be available.

Management Experience and Dependence on Key Personnel

The Company's success is currently largely dependent on the performance of the Company's directors and officers. The Company's management team has experience in the resource exploration business. The

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

Operating Hazards and Risks

Mineral exploration and development involve risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in work stoppages, damage to or destruction of property, loss of life and environmental damage. Such risks include, but are not limited to: (i) industrial accidents; (ii) unusual or unexpected rock formations; (iii) structural cave-ins or slides and pitfall, ground or slope failures and accidental release of water from surface storage facilities; (iv) fire, flooding and earthquakes; (v) rock bursts; (vi) metal losses in handling and transport; (vii) periodic interruptions due to inclement or hazardous weather conditions; (viii) environmental hazards; (ix) discharge of pollutants or hazardous materials; (x) failure of processing and mechanical equipment and other performance problems; (xi) geotechnical risks including the stability of the underground hanging walls and unusual and unexpected geological conditions; (xii) unanticipated variations in grade and other geological problems, water, surface or underground conditions; (xiii) labour disputes or slowdowns; (xiv) work force health issues as a result of working conditions; and (xv) force majeure events, or other unfavourable operating conditions.

These risks, conditions and events could result in: (i) damage to, or destruction of, the value of, the Antelope Project; (ii) personal injury or death; (iii) environmental damage to the Antelope Project, surrounding lands and waters, or the properties of others; (iv) delays or prohibitions on mining or the transportation of minerals; (v) monetary losses; and (vi) potential legal liability and any of the foregoing could have a material adverse effect on the Company's business, financial condition, results of operation, cash flows or prospects. In particular, underground refurbishment and exploration activities present inherent risks of injury to people and damage to equipment. Significant accidents could occur, potentially resulting in a complete shutdown of the Company's operations at the Antelope Project which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

There are also risks related to the reliance on the reliability of current and new or developing technology; the reliance on the work performance of outside consultants, contractors, and manufacturers; changes to labour or material costs; unknown or unanticipated or underestimated costs or expenses; unknown or unanticipated or underestimated additions to the scope of work due to changing or adverse conditions encountered; unexpected variances in the geometry or quality of ore zones; unexpected reclamation requirements or expenses; permitting time lines; unexpected or unknown ground conditions; unexpected changes to estimated parameters utilized to estimate past timelines, projections, or costs; and liquidity risks. An adverse change in any one of such factors, hazards and risks may result in a material

adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company does not currently carry any liability insurance for such risks, electing instead to ensure the Company's contractors have adequate insurance coverage. The nature of these risks is such that liabilities might exceed any insurance policy limits, the liabilities and hazards might not be insurable or the Company might not elect to insure ourselves against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect upon the Company's financial condition.

Reliability of Historical Information

The Company has relied on, and the disclosure of the Antelope Report, is based, in part, upon historical data compiled by previous parties involved with the Antelope Project. To the extent that any of such historical data is inaccurate or incomplete, the Company's exploration plans may be adversely affected.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Company's mineral properties. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Company's mineral properties will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operation.

Financial Risk

No Operating Revenue

The Company is in the early stages of its business and has no source of operating revenue. With the net proceeds from the Offering, the Company will have sufficient financial resources to undertake Phase 1 of the work program on the Antelope Project recommended in the Antelope Report. Upon the successful completion of this work, the Company may not have sufficient financial resources to complete further work.

Negative Cash Flow from Operating Activities

The Company has no history of earnings and had negative cash flow from operating activities since inception. The Company's mineral properties are in the exploration stage and there are no known mineral resources or reserves and the proposed exploration programs on the Company's mineral properties are exploratory in nature. Significant capital investment will be required to achieve commercial production from the Company's existing projects. There is no assurance that any of the Company's mineral properties will generate earnings, operate profitably or provide a return on investment in the future. Accordingly, the Company will be required to obtain additional financing in order to meet its future cash commitments.

Substantial Capital Expenditures Required

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

Future Financing Risk

The Company's ability to secure any required financing to sustain operations will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its current business plan or cease operating.

Going-Concern Risk

The Company's Financial Statements have been prepared on a going-concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing equity or debt financing or in achieving profitability. The Financial Statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

Internal control systems

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Risks Inherent in Legal Proceedings

The Company or its directors may be subject to a variety of civil or other legal proceedings, with or without merit. The Company does not know of any such pending or actual material legal proceedings as of the date of this Prospectus.

Fluctuations in currency exchange rates

Fluctuations in Canadian and United States currency exchange rates may impact the Company's financial position and results as its exploration expenditures will primarily be in US dollars.

Risks Related to the Offering and the Company's Securities

No Established Market

The Company intends to apply to list the Common Shares distributed under this Prospectus on the CSE. Listing will be subject to the Company fulfilling all the listing requirements of the CSE. There is currently no market through which the Company's securities may be sold and purchasers may not be able to resell the Shares purchased under this Prospectus. 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 public Offering Price.

Speculative Nature of Investment Risk

The Company is in the business of exploring mineral properties, which is a highly speculative endeavor. An investment in the Common Shares carries a high degree of risk and should be considered as a speculative investment. The Company has no history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future.

Price may not Represent the Company's Performance or Intrinsic Fair Value

The market price of a publicly-traded stock is affected by many variables not directly related to the corporate performance of the Company, including the market in which it is traded, the strength of the economy generally, the availability of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of the Common Shares on the CSE in the future cannot be predicted.

Price Volatility of Publicly Traded Securities

The Common Shares do not currently trade on any exchange or stock market and the Company has applied to list the Common Shares on the CSE. Securities of mineral exploration and development companies have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries.

Dilution

Future sales or issuances of equity securities could decrease the value of the Common Shares, dilute shareholders' voting power and reduce future potential earnings per Common Share. We may sell additional equity securities in subsequent offerings (including through the sale of securities convertible into Common Shares) and may issue additional equity securities to finance our operations, development, exploration, acquisitions or other projects. We cannot predict the size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in our earnings per Share.

Dividends

The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company expects to retain earnings to finance further growth and, where appropriate, retire debt.

Increased Costs of Being a Publicly Traded Company

As the Company will have publicly-traded securities, significant legal, accounting and filing fees will be incurred that are not presently being incurred. Securities legislation and the rules and policies of the CSE require publicly listed companies to, among other things, adopt corporate governance policies and related practices and to continuously prepare and disclose material information, all of which will significantly increase legal, financial and securities regulatory compliance costs.

Industry Risk

Mining Laws, Permits and Other Authorizations

The Company's operations are subject to extensive laws and regulations governing, among other things, matters such as environmental protection, management and use of toxic substances and explosives, health, exploration and development of mines, commercial production and sale of by-products, ongoing and post closure reclamation, construction and operation of tailings dams, safety and labour, taxation and royalties, maintenance of mineral tenure, and expropriation of property. The activities of the Company require licenses and permits from various governmental authorities.

The costs associated with compliance with these laws and regulations and of obtaining licenses and permits are substantial, and possible future laws and regulations, changes to existing laws and regulations and more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the development of its properties. Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of the Company's properties.

Amendments to current laws and regulations governing the Company's operations and activities or more stringent implementation of such laws and regulations could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects. There is no assurance that future changes in such laws and regulations, if any, will not adversely affect the Company's operations. Moreover, these laws and regulations may allow governmental authorities and private parties to bring lawsuits based upon damages to property and injury to persons resulting from the environmental, health and safety practices of the Company's past and current operations, or possibly even the actions of former property owners, and could lead to the imposition of substantial fines, penalties or other civil or criminal sanctions. The Company may fail to comply with current or future laws and regulations. Such noncompliance can lead to financial restatements, civil or criminal fines, penalties, and other material negative impacts on the Company.

The Company is required to obtain or renew further government permits and licenses for its current and contemplated operations. Obtaining, amending or renewing the necessary governmental permits and licenses can be a time-consuming process potentially involving a number of regulatory agencies, involving public hearings and costly undertakings on the Company's part. The duration and success of the Company's efforts to obtain, amend and renew permits and licenses are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by the relevant permitting or licensing authority. The Company may not be able to obtain, amend or renew permits or licenses that are necessary to its operations, or the cost to obtain, amend or renew permits or licenses may exceed what the Company believes it can ultimately recover from a given property once in production. Any unexpected delays or costs associated with the permitting and licensing process could impede ongoing operations at the Antelope Project. To the extent necessary permits or licenses are not obtained, amended or renewed, or are subsequently suspended or revoked, the Company may be curtailed or prohibited from proceeding with planned development, commercialization, operation and exploration activities. Such curtailment or prohibition may result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Environmental Risks

The Company's exploration operations at the Antelope Project are subject to environmental regulation. Regulations cover, among other things, water quality standards, land reclamation, the generation, transportation, storage and disposal of hazardous waste, the construction and operation of tailings dams, and general health and safety matters. There is no assurance that the Company has been or will at all times be in full compliance with all environmental laws and regulations or hold, and be in full compliance with, all required environmental and health and safety approvals and permits. The potential costs and delays associated with compliance with such laws, regulations, approvals and permits could prevent the Company from economically operating or proceeding with the further exploration of the Antelope Project, and any non-compliance with such laws, regulations, approvals and permits could result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects. Environmental approvals and permits are currently, and may in the future be, required in connection with the Company's current and planned operations. To the extent such environmental approvals and permits are required and not obtained, the Company's plans and the operation of mines may be curtailed or it may be prohibited from proceeding with planned exploration or development of additional mineral properties. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions

There is no assurance that any future changes in environmental regulation will not adversely affect the Company's operations. Changes in government regulations have the potential to significantly increase compliance costs and thus reduce the profitability of current or future operations.

Environmental hazards may also exist on the properties on which the Company holds interests that are unknown to the Company at present and that have been caused by previous or existing owners or operators of the properties and for which the Company may be liable for remediation. Parties engaged in mining operations, including the Company, may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable environmental laws or regulations, regardless of whether the Company actually

caused the loss or damage. The costs of such compensation, fines or penalties could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Social and Environmental Activism Risk

There is an increasing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and NGOs who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the regions in which it operates, NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company's operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Fluctuating Mineral Prices and Currency Risks

The mining industry is heavily dependent upon the market price of the metals or minerals being mined or explored for. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for their sale. There can be no assurance that mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond the Company's control may affect the marketability of any minerals discovered. The prices of base and precious metals have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the Company's control. The market price of metals and minerals is volatile and cannot be controlled by the Company. Metal prices have fluctuated widely, particularly in recent years. Factors beyond the control of the Company may affect the marketability of minerals or concentrates produced, including quality issues, impurities, deleterious elements, government regulations, royalties, allowable production and regulations regarding the importing and exporting of minerals, the effect of which cannot be accurately predicted. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in a world market in US dollars.

Competition

The mining industry is intensely competitive. The Company competes with other mining companies, many of which have greater resources and experience. Competition in the mining industry is primarily for: (i) properties which can be developed and can produce economically; (ii) the technical expertise to find, develop, and operate such properties; (iii) labour to operate such properties; and (iv) capital to fund such properties. Such competition may result in the Company being unable to acquire desired properties, to recruit or retain qualified employees and consultants or to acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies

for these resources could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Future negative effects due to changes in tax regulations cannot be excluded

The Company runs its business in different jurisdictions and strives to run its business in as tax efficient a manner as possible. The tax systems in certain of these jurisdictions are complicated and subject to change. For this reason, the possibility of future negative effects on the results of the Company due to changes in tax regulations cannot be excluded. Repatriation of earnings to Canada from other jurisdictions may be subject to withholding taxes. The Company has no control over withholding tax rates.

Risk Related to General Economic Factors

Public Health Crisis

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. On March 12, 2020, the World Health Organization declared the outbreak a pandemic and on March 13, 2020, the U.S. declared that the COVID-19 outbreak in the United States constitutes a national emergency. Over the past months, there were a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada, the United States, Europe and China. The outbreak has also caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. The Company will continually assess and respond where possible to the impacts of the COVID-19 pandemic.

Due to the current stage of the Company's development the impact of COVID-19 on the Company has been minimal.

Public health crises such as COVID-19 can result in volatility and disruptions in the supply and demand for gold and other metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The risks to the Company of such public health crises also include risks to health and safety, a slowdown or temporary suspension of operations, including drilling operations, in geographic locations impacted by an outbreak, increased labor and fuel costs, regulatory changes, political or economic instabilities or civil unrest. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

Stress in the Global Economy

Reduction in credit, combined with reduced economic activity and the fluctuations in the United States dollar, may adversely affect businesses and industries that purchase commodities, affecting commodity prices in more significant and unpredictable ways than the normal risks associated with commodity

prices. The availability of services such as drilling contractors and geological service companies and/or the terms on which these services are provided may be adversely affected by the economic impact on the service providers. The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Company's business, operating results and financial condition.

Other risks

Conflicts of Interest

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

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

PROMOTERS

Patrick McGrath took the initiative in founding the Company and, is therefore, the promoter of the Company. Mr. McGrath beneficially owns or controls, directly or indirectly, an aggregate of 2,250,000 Common Shares and 250,000 stock options. See *“Directors and Executive Officers”*; *“Executive Compensation”* and *“Interests of Management and Others in Material Transactions”* for disclosure regarding the Company’s promoters.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not currently a party to any actual or pending material legal proceedings to which the Company is or is likely to be a party or of which any of its assets are or are likely to be subject. Management of the Company is not currently aware of any legal proceedings contemplated against the Company.

RELATIONSHIP BETWEEN COMPANY AND AGENT

The Company is not a "related issuer" or connected issuer to the Agent as such terms are utilized in National Instrument 33-105 – *Underwriting Conflicts*. Members of the Agent’s professional group hold 1,917,000 Common Shares of the Company, representing 15.89% of the issued and outstanding Common Shares of the Company as at the date of this Prospectus.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed below and elsewhere in this Prospectus, no director, executive officer or principal Common Shareholder of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction within the preceding three years or in any proposed transaction that has materially affected or will materially affect the Company.

See *“Description of the Business”*, *“Escrowed Securities and Securities Subject to Contractual Restriction on Transfer”*, *“Principal Common Shareholders”*, *“Directors and Executive Officers”*, *“Executive Compensation”* and *“Material Contracts”*.

AUDITORS, TRANSFER AGENT AND REGISTRARS

Auditors

The auditor of the Company is Davidson & Company LLP of Vancouver, British Columbia. Davidson & Company LLP is independent of the Company within the meaning of the Code of Professional Conduct of Chartered Professional Accountants of British Columbia. Davidson & Company LLP was first appointed as auditor of the Company on December 16, 2020.

Transfer Agent and Registrar

The transfer agent and registrar for the Common Shares is Marrelli Trust Company Limited at its principal offices in Vancouver, British Columbia and Toronto, Ontario.

MATERIAL CONTRACTS

Other than contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company since its incorporation:

1. the Agency Agreement;
2. the Antelope Option Agreements; and
3. the Escrow Agreement.

Copies of the material contracts will be available under the Company's profile at www.sedar.com upon the issuance of the final receipt for this Prospectus. Particulars regarding the material contracts are disclosed elsewhere in this Prospectus (see "*Plan of Distribution*"; "*History and Significant Acquisitions*"; "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*"; and "*The Offering*").

EXPERTS

The following persons are named as having prepared or certified a report, valuation, statement or opinion in this Prospectus:

1. Kristopher J. Raffle, B. Sc., P. Geo., an independent consulting geologist and "qualified person" as defined in NI 43-101 is the author responsible for the preparation of the Antelope Report;
2. The information in this Prospectus under the heading "Eligibility for Investment" has been included in reliance upon the opinion of Morton Law LLP; and
3. The audited financial statements of the Company included with this Prospectus have been subject to audit by Davidson & Company LLP and their audit report is included herein.

Based on information provided by the relevant persons in 1 and 3 above, none of such persons or companies have received or will receive direct or indirect interests in the property of the Company or have any beneficial ownership, direct or indirect, of securities of the Company.

ELIGIBILITY FOR INVESTMENT

In the opinion of Morton Law LLP, Canadian counsel to the Company, based on the provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**") as of the date hereof, the Common Shares, if issued on the date hereof, would be "qualified investments" under the Tax Act for a trust governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), deferred profit sharing plan, registered education savings plan ("**RESP**"), registered disability savings plan ("**RDSP**") and tax-free savings account ("**TFSA**") (collectively, "**Deferred Plans**") provided that the Common Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the CSE) or the Company is otherwise a "public Company" (as such term is defined in the Tax Act).

The Common Shares are not currently listed on a designated stock exchange and the Company is not currently a “public corporation”, as that term is defined in the Tax Act. The Company has applied to list the Common Shares on the CSE as of the day before the Closing of the Offering, followed by an immediate halt in trading of the Common Shares in order to allow the Company to satisfy the conditions of the CSE and to have the Common Shares listed and posted for trading prior to the issuance of the Common Shares on the Closing of the Offering. The Company must rely on the CSE to list the Common Shares on the CSE and have them posted for trading prior to the issuance of the Common Shares on the Closing of the Offering and to otherwise proceed in such manner as may be required to result in the Common Shares being listed on the CSE at the time of their issuance on Closing. If the Common Shares are not listed on the CSE at the time of their issuance on the Closing of the Offering and the Company is not otherwise a “public corporation” at that time, Common Shares will not be “qualified investments” for the Deferred Plans at that time.

Notwithstanding that the Common Shares may be a “qualified investment” for a Deferred Plan, the annuitant under an RRSP or RRIF, the holder of a TFSA or RDSP, or the subscriber of a RESP will be subject to a penalty tax if such Common Shares are a “prohibited investment” (as defined in the Tax Act) for the RRSP, RRIF, RESP, RDSP or TFSA. The Common Shares will generally not be a “prohibited investment” for a particular RRSP, RRIF, RESP, RDSP or TFSA provided that the annuitant under the RRSP or RRIF, the holder of the TFSA or RDSP, or the subscriber of the RESP, as the case may be, deals at arm’s length with the Company for purposes of the Tax Act and does not have a “significant interest” (as defined in the Tax Act) in the Company. In addition, the Common Shares will not be a prohibited investment if such securities are “excluded property” (as defined in the Tax Act for purposes of these rules) for the particular TFSA, RRSP, RESP, RDSP or RRIF.

Persons who intend to hold Common Shares in a trust governed by a Deferred Plan should consult their own tax advisors with respect to the application of these rules in their particular circumstances.

OTHER MATERIAL FACTS

Except as otherwise mentioned in this Prospectus, there are no material facts about the securities being distributed pursuant to the Offering that are not disclosed under any other items and are necessary in order for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities to be distributed.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contain a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of 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.

LIST OF EXEMPTIONS

The Company has not applied for or received any exemption from National Instrument 41-101 – *General Prospectus Requirements*, regarding this Prospectus or the distribution of its securities under this Prospectus.

FINANCIAL STATEMENT DISCLOSURE

The Financial Statements and MD&A are included as Schedules “B” and “C”, respectively, to this Prospectus. See also “*Management’s Discussion and Analysis*”. The Company has established December 31 as its financial year end.

SCHEDULE "A"

DISCLOSURE REGARDING THE ANTELOPE PROJECT

Information of a scientific or technical nature in respect of the Antelope Property in Schedule "A" is derived from, and in some instances is a direct extract from, and is based on the assumptions, qualifications and procedures set out in the Antelope Report. The Antelope Report was prepared pursuant to the requirements of NI 43-101, by Kristopher J. Raffle, B. Sc., P. Geo. of Apex Geoscience Ltd. (the "Author"). Mr. Raffle is "Independent" and a "Qualified Person" for the purposes of NI 43-101. For additional information, reference should be made to the full text of the Antelope Report, which is available for review under the Company's profile on SEDAR at www.sedar.com.

SUMMARY

The Antelope Property has been explored intermittently since the early 1980's by a number of operators. Surface work and drilling was completed by Amselco Minerals Inc. between 1981 and 1985, and by Phelps Dodge Exploration in 1988 and 1989. A total of approximately 12,025 metres of reverse circulation drilling was completed on the Antelope Property, historically. Additional surface work was completed by Dumont Nickel Inc. in 2005 and Pilot Gold Inc. (now known as Liberty Gold Corp.) in 2011 and 2012. The historical work identified two gently west dipping, gold mineralized jasperoid lenses at Antelope. Gold grades are significantly elevated in proximity to steep, northwest striking faults, and diabase dykes. Ground gravity surveys completed by Pilot Gold suggest the presence of additional targets under pediment cover to the west, as well as to the east of the current drilling areas.

The Antelope Property is located on the western flank of the Antelope Range of northeastern Nevada (Figure 1), within the Great Basin physiographic section of the Basin and Range Province. Tectonic events extending back to the Proterozoic controlled the evolution of Great Basin geology and development of Carlin-type deposits in Nevada. Rifting, followed by several compressional orogenies, produced a structural and stratigraphic framework favorable for the formation of Carlin-type mineralizing systems.

The central, Paleozoic portion of the Antelope Range can be generally described as a westward-tilted block with older strata, up to Ordovician in age, exposed on the east side, and strata as young as Permian exposed on the west side. A large, low-angle fault in the range moved the Pennsylvanian Ely Limestone over the Permian Arcturus Formation. This fault is offset by high-angle faults, which are in turn truncated by a fault that moved the Arcturus over Ordovician, Silurian and Devonian Strata. The north and south ends of the range are underlain by Tertiary volcanic or sedimentary rocks. The basins flanking the range are filled with Quaternary sediments, with some outcropping Tertiary volcanic rocks and minor Paleozoic strata south of the range.

The Antelope Property is underlain by a moderately west dipping stratigraphic sequence consisting of limestone and dolomite, grading upward into increasingly silty and shaley units. The oldest rocks on the Antelope Property comprise massive dolomites. There is some disagreement among previous operators regarding whether the dolomite is assigned to the Upper Devonian Guilmette Formation or the Simonson Dolomite. This Antelope Report assumes the dolomite represents the Guilmette Formation, in agreement with Pilot Gold geologists. The Guilmette Formation conformably overlies the Simonson Dolomite. The remainder of the sequence comprises the Mississippian-Devonian Pilot Shale, Joana Limestone and Chainman Shale.

Gold mineralization at the Antelope Property is hosted primarily in jasperoid lenses in a repetitive sequence of limestone, siltstone and dolomite believed to be at or near the top of the Devonian Guilmette Formation or at the base of the Mississippian-Devonian Pilot Shale. The sequence may be repeated due to one or more low angle thrust faults. Continuous jasperoid sheets up to 40 metres thick are observed, replacing limestone, dolomite, or siltstone. Gold mineralization is also found along the margins of northeast striking diabase dykes. No visible gold is observed; however, minor very fine-grained pyrite is found locally. Elevated arsenic, mercury, antimony, and thallium are associated with gold mineralization. Two main mineralized zones exist on the Antelope Property, as defined by surface sampling and drilling: The Main Zone and the North Zone. Main Zone mineralization is hosted primarily within jasperoid with lesser mineralization found in carbonaceous siltstone and dolomite horizons. Mineralization in the North Zone is found in both jasperoids and along the margins of a large diabase dyke. Gold grades in both zones are elevated in proximity to steep, northwest striking structural zones. The property-scale stratigraphy is not fully understood and will require additional investigation to resolve.

During June 2017, Logan Resources Ltd. ("**Logan Resources**"), under an option agreement with Pilot Gold, completed a reverse circulation drilling program at the Antelope Property. The program comprised four drill holes, totaling approximately 649 metres. The 2017 program tested historically reported gold grades in the Main and North zones as well as mineralization peripheral to the Main Zone. The 2017 drilling verified the presence of both low-grade strata-bound gold mineralization in jasperoid horizons, as well as higher grade structurally controlled mineralization concentrated along mainly northwest-striking faults and dyke margins. Significant historical weighted average gold grades include 1.12 ppm gold over 3.05 metres within a broader zone of 0.29 ppm gold over 18.29 metres in hole AN1701 (North Zone); and 3.33 ppm gold over 4.57 metres within a broader zone of 1.59 ppm gold over 10.67 metres, in hole AN1703 (Main Zone). The total cost to complete the 2017 drilling program was \$185,241.

The Antelope Property remains an underexplored, early-stage project with potential for advancement. The Antelope Property is underlain by several favorable geological units including the regionally prospective Pilot Shale – Guilmette Formation and Chainman Shale – Joana Limestone sequences, which are known to host gold mineralization. At Antelope, the Pilot Shale – Guilmette Formation contact zone hosts the known gold mineralization. To date, the Chainman Shale and Joana Limestone horizons outcropping along the west side of the Antelope Property have not been tested.

The jasperoid horizons at Antelope remain open down dip under cover on the west side of the Antelope Property. Ground gravity survey results suggest that the pediment cover is relatively shallow on the west side of the Antelope Property, and there are numerous relatively young northwest extending west under cover. Drill testing should concentrate around the structures identified by the gravity survey, targeting the mapped Chainman Shale – Joana Limestone contact zone, as well as the buried Pilot Shale – Guilmette Formation contact zone and jasperoid horizons. The Acturus Formation (Pa) and Ely Limestone (IPE) clastic/carbonate contact may represent another drill target at depth.

Based on results to date, further work is warranted at the Antelope Property. A five hole, approximately 1,000 metre, reverse circulation drill program is recommended to test for mineralization down-dip in the west of the Antelope Property and at depth east of the existing drilling. The total cost to complete the program is \$225,000.00.

PROPERTY DESCRIPTION, LOCATION AND ACCESS

Location and Accessibility

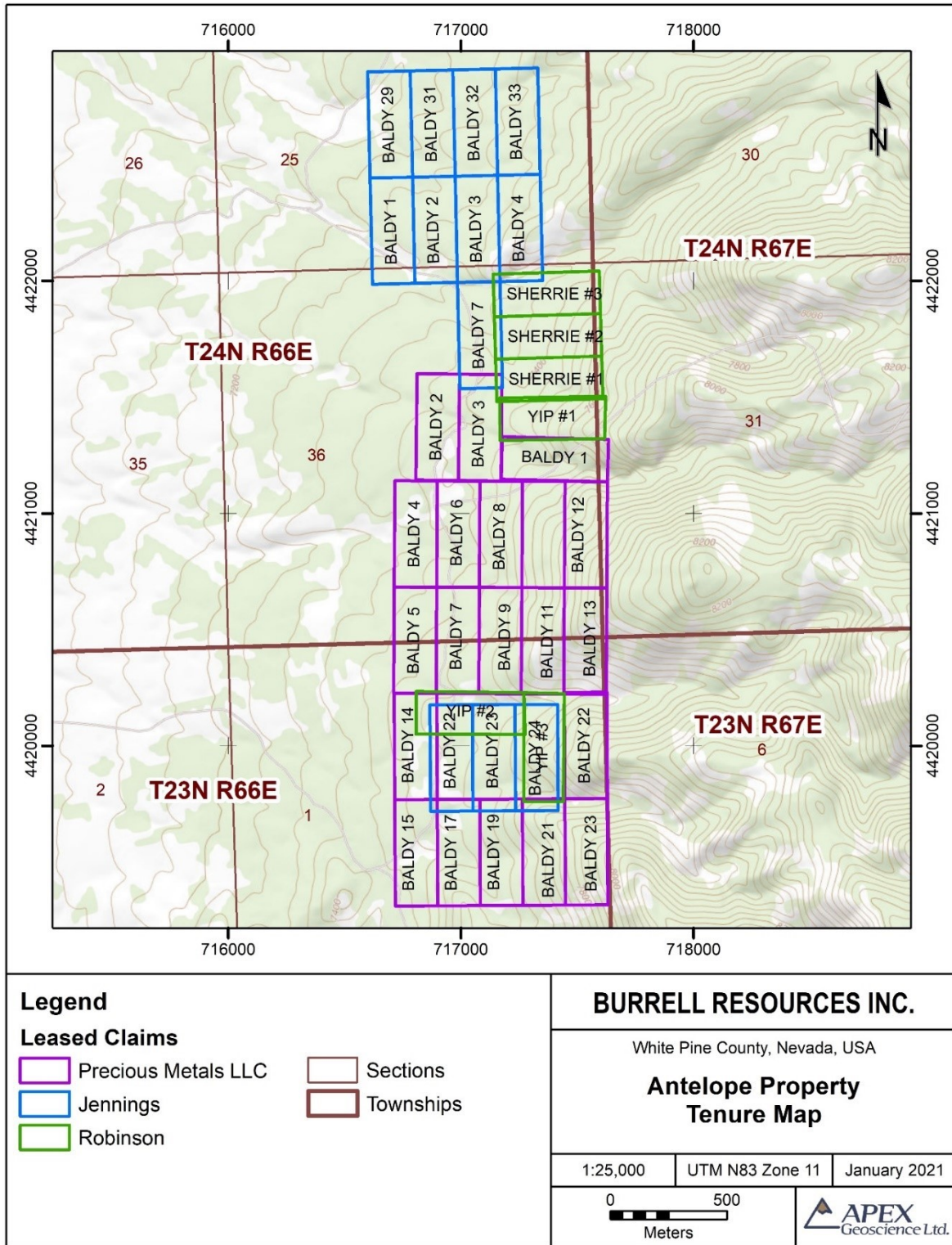
The Antelope Property is located on the western flank of the Antelope Range of east-central Nevada, in White Pine County. It is approximately 100 km (60 miles) north-northeast of Ely, Nevada and 120 km (75 miles) south-southwest of West Wendover, Nevada, by road. The nearest major cities are Elko, Nevada, 225 km (140 miles) northwest, and Salt Lake City, Utah, 315 km (196 miles) east-northeast, by road.

Access from the north is via U.S. Route 93 Alternate to the North Spring Valley Road turnout, approximately 90 km (55.5 miles) south of West Wendover and 2.4 km (1.5 miles) south of the White Pine County line, or approximately 7 km (4.3 miles) north of the junction with U.S. Route 93. From the highway, proceed south along North Spring Valley Road, an all-weather county gravel road, for approximately 23 km (14.2 miles) to a junction with two east-tracking dirt roads. Both roads proceed east approximately 8 km (4.5 miles) to the Antelope Property; however, the southern road is in significantly better condition and is the recommended access route.

Alternate access from the south is via U.S. Route 93 to Schellbourne Road (White Pine County Road 18 / Nevada State Route 893 S), approximately 63 km (39 miles) north of Ely at the Schellbourne Rest Area. From the highway, proceed east along County Road 18 for 17 km (10.8 miles) and then north on Spring Valley Road (White Pine Country Road 31) for 10 km (6.2 miles) to the junction with the dirt road leading to the Antelope Property.

A series of dirt roads provide access to Main Zone, North Zone and other areas of the Antelope Property. Many of the older drill spur roads have been reclaimed and deactivated.

Figure 2 Antelope Property Tenure Map



Description

The Antelope Property consists of an aggregate of 38 contiguous BLM lode-type claims covering an area of 733 acres (297 hectares) located in White Pine County, Township 23 North, Range 66 East, Section 1; Township 24 North, Range 66 East, Sections 25 and 36; and Township 24 North, Range 67 East, Section 31, Mount Diablo Base Line and Meridian (Table 1; Figure 2).

Unpatented lode mining claims are subject to an annual maintenance fee of USD\$165 per claim payable to the U.S. Department of the Interior (“**USDI**”), BLM on or before September 1st of each year. A notice of intent to hold must also be filed annually with the White Pine County Recorder on or before November 1st each year, along with the requisite filing fee of USD\$12 per claim plus a USD\$12 fee per document. The federal BLM maintenance fees, and county filing fees and taxes for the Antelope Property have been paid in full for 2020. The current total holding costs for the Antelope Property are estimated at USD\$6,762 (\$9,060) annually.

The Author did not attempt to verify the legal status of the 38 unpatented lode mining claims that comprise the Antelope Property; however, according to mining claim records on the U.S. Bureau of Land Management’s Legacy Rehost System (“**LR2000**”) case management system, the Antelope claims were listed as active and in good standing as of the Effective Date of this Report. As of January 25, 2021, the LR2000 case management system was replaced with the Mineral and Land Records System (“**MLRS**”). As part of the transition, the LR2000 “Legacy” mining claim case serial numbers were replaced with new case serial numbers. Both numbers are listed in Table 1.

Table 1 Antelope Property Mining Claim Details

| Owner | Claim Name | Location Date | Amendment Date | BLM Recording Date | BLM Legacy Case Serial Number | BLM Case Serial Number | County Document Number | County Recording Date |
|-----------------|------------|---------------|----------------|--------------------------|-------------------------------|------------------------|------------------------|--------------------------|
| Precious Metals | BALDY 2 | 10/02/2010 | | 12/17/2010 | NMC1034241 | NV101676361 | 350148 | 12/15/2010 |
| Precious Metals | BALDY 4 | 10/02/2010 | 02/03/2011 | 12/17/2010 02/25/2011 | NMC1034243 | NV101676362 | 350150 350504 | 12/15/2010 02/08/2011 |
| Precious Metals | BALDY 5 | 10/02/2010 | | 12/17/2010 | NMC1034244 | NV101676363 | 350151 | 12/15/2010 |
| Precious Metals | BALDY 6 | 10/02/2010 | | 12/17/2010 | NMC1034245 | NV101676364 | 350152 | 12/15/2010 |
| Precious Metals | BALDY 7 | 10/02/2010 | | 12/17/2010 | NMC1034246 | NV101676365 | 350153 | 12/15/2010 |
| Precious Metals | BALDY 8 | 10/02/2010 | | 12/17/2010 | NMC1034247 | NV101677280 | 350154 | 12/15/2010 |
| Precious Metals | BALDY 9 | 10/02/2010 | | 12/17/2010 | NMC1034248 | NV101677281 | 350155 | 12/15/2010 |
| Precious Metals | BALDY 10 | 10/02/2010 | 02/03/2011 | 12/17/2010 02/25/2011 | NMC1034249 | NV101677282 | 350156 350505 | 12/15/2010 02/08/2011 |
| Precious Metals | BALDY 11 | 10/02/2010 | | 12/17/2010 | NMC1034250 | NV101677283 | 350157 | 12/15/2010 |
| Precious Metals | BALDY 12 | 10/02/2010 | | 12/17/2010 | NMC1034251 | NV101677284 | 350158 | 12/15/2010 |
| Precious Metals | BALDY 13 | 10/02/2010 | 01/03/2014 | 12/17/2010 03/03/2014 | NMC1034252 | NV101677285 | 350159 365100 | 12/15/2010 02/03/2014 |
| Precious Metals | BALDY 14 | 10/03/2010 | | 12/17/2010 | NMC1034253 | NV101677286 | 350160 | 12/15/2010 |

| | | | | | | | | |
|-----------------|------------|------------|--|------------|------------|-------------|--------|------------|
| Precious Metals | BALDY 15 | 10/03/2010 | | 12/17/2010 | NMC1034254 | NV101677287 | 350161 | 12/15/2010 |
| Precious Metals | BALDY 22 | 10/03/2010 | | 12/17/2010 | NMC1034258 | NV101677288 | 350165 | 12/15/2010 |
| Precious Metals | BALDY 23 | 10/03/2010 | | 12/17/2010 | NMC1034259 | NV101677289 | 350166 | 12/15/2010 |
| Precious Metals | BALDY 1 | 12/10/2011 | | 01/30/2012 | NMC1065586 | NV101548431 | 355905 | 01/19/2012 |
| Precious Metals | BALDY 3 | 12/10/2011 | | 01/30/2012 | NMC1065587 | NV101548432 | 355906 | 01/19/2012 |
| Precious Metals | BALDY 17 | 12/12/2011 | | 01/30/2012 | NMC1065588 | NV101548433 | 355907 | 01/19/2012 |
| Precious Metals | BALDY 19 | 12/12/2011 | | 01/30/2012 | NMC1065589 | NV101548434 | 355908 | 01/19/2012 |
| Precious Metals | BALDY 21 | 12/12/2011 | | 01/30/2012 | NMC1065590 | NV101548435 | 355909 | 01/19/2012 |
| Jennings | BALDY 7 | 03/31/2004 | | 06/21/2004 | NMC870929 | NV101621497 | 321415 | 06/17/2004 |
| Jennings | BALDY 23 | 03/31/2004 | | 06/21/2004 | NMC870933 | NV101621498 | 321420 | 06/17/2004 |
| Jennings | BALDY 24 | 03/31/2004 | | 06/21/2004 | NMC870934 | NV101621499 | 321421 | 06/17/2004 |
| Jennings | BALDY 22 | 04/13/2005 | | 05/21/2005 | NMC896784 | NV101370803 | 325738 | 05/11/2005 |
| Jennings | BALDY 1 | 12/07/2011 | | 01/30/2012 | NMC1065578 | NV101547018 | 355911 | 01/19/2012 |
| Jennings | BALDY 2 | 12/07/2011 | | 01/30/2012 | NMC1065579 | NV101547019 | 355912 | 01/19/2012 |
| Jennings | BALDY 3 | 12/07/2011 | | 01/30/2012 | NMC1065580 | NV101547020 | 355913 | 01/19/2012 |
| Jennings | BALDY 4 | 12/07/2011 | | 01/30/2012 | NMC1065581 | NV101547021 | 355914 | 01/19/2012 |
| Jennings | BALDY 29 | 12/07/2011 | | 01/30/2012 | NMC1065582 | NV101548427 | 355915 | 01/19/2012 |
| Jennings | BALDY 31 | 12/07/2011 | | 01/30/2012 | NMC1065583 | NV101548428 | 355916 | 01/19/2012 |
| Jennings | BALDY 32 | 12/07/2011 | | 01/30/2012 | NMC1065584 | NV101548429 | 355917 | 01/19/2012 |
| Jennings | BALDY 33 | 12/07/2011 | | 01/30/2012 | NMC1065585 | NV101548430 | 355918 | 01/19/2012 |
| Robinson | SHERRIE #1 | 03/25/2004 | | 03/30/2004 | NMC864707 | NV101623700 | 320094 | 04/09/2004 |
| Robinson | SHERRIE #2 | 03/25/2004 | | 03/30/2004 | NMC864708 | NV101623701 | 320095 | 04/09/2004 |
| Robinson | SHERRIE #3 | 03/25/2004 | | 03/30/2004 | NMC864709 | NV101623702 | 320096 | 04/09/2004 |
| Robinson | YIP #1 | 12/13/2020 | | 12/22/2020 | NMC1216002 | NV102124117 | 387440 | 12/21/2020 |
| Robinson | YIP #2 | 12/13/2020 | | 12/22/2020 | NMC1216003 | NV102124118 | 387441 | 12/21/2020 |
| Robinson | YIP #3 | 12/13/2020 | | 12/22/2020 | NMC1216004 | NV102124119 | 387442 | 12/21/2020 |

Royalties and Agreements

First Antelope Property Lease and Option Agreement

On August 13, 2020, the Company, as the lessee, entered into a lease and option agreement with Precious Metals LLC, as the lessor. The agreement was subsequently amended on December 11, 2020. The agreement applies to the Baldy 1-15, 17, 19, 21, 22 and 23 claims owned by Precious Metals, totaling 20 claims (the “**Precious Metals Claims**”). Under the terms of the lease, the Company agrees to pay all BLM maintenance fees and county recording fees to keep the Precious Metals Claims active and in good

standing for the duration of the lease. The Company also agrees to pay to the Precious Metals LLC, lease payments as follows:

- (i) Approximately USD\$3,550 BLM for maintenance fee and county recording fees on or before August 31, 2020 (complete)
- (ii) USD\$10,000 on or before August 31, 2020 (complete);
- (iii) USD\$12,000 on or before November 30, 2022;
- (iv) USD\$17,000 on or before November 30, 2023;
- (v) USD\$22,000 on or before November 30, 2024; and
- (vi) USD\$26,000 on or before November 30, 2025 and on each anniversary date thereafter until the claims are in production.

The Company agrees to pay to the Lessor a sliding scale NSR royalty based on gold price:

- (i) 1.50% when gold price is less than \$1,250 per ounce;
- (ii) 1.75% when gold price is between \$1,251 to \$1,500;
- (iii) 2.00% when gold price is between \$1,501 to \$1,750; and
- (iv) 2.50% when gold price is greater than \$1,750.

The Company is granted the exclusive right and option to acquire a 100% interest in the Precious Metals Claims prior to production by paying the Precious Metals LLC USD\$750,000 cash. The Company has the further option to purchase the NSR royalty prior to production by paying the Lessor an additional USD\$750,000 cash.

Second Antelope Lease and Option Agreement

On November 2, 2020, the Company, as the lessee, entered into a lease and option agreement with Donald K. Jennings and James P. Robinson, as the Lessors (the “**Lessors**”). The agreement was subsequently amended on January 11, 2021. The agreement applies to the Baldy 1-4, 7, 22-24, 29 and 31-33 claims owned by Jennings, and the Sherrie 1-3 and Yip 1-3 claims owned by Robinson, totaling 18 claims (the “**Jennings-Robinson Claims**”). Under the terms of the lease, the Company agrees to pay all BLM maintenance fees and county recording fees to keep the Jennings-Robinson Claims active and in good standing for the duration of the lease. The Company also agrees to pay to the Lessors, lease payments as follows:

- (i) USD\$2,500 on signing (complete)
- (ii) USD\$10,000 on the second anniversary;
- (iii) On the second anniversary, the Company shall issue to the Lessors a number of common shares equal to CAD\$10,000 divided by the weighted average closing price of the Lessee’s common shares over the ten preceding trading days on the Canadian Stock Exchange, subject to any regulatory resale legends;
- (iv) USD\$15,000 on the third anniversary;
- (v) USD\$20,000 on the fourth anniversary;
- (vi) USD\$25,000 on the fifth anniversary; and
- (vii) USD\$30,000 on each subsequent anniversary

The Company is also required to complete a NI 43-101 technical report on the Antelope Property within six months of signing.

The Company agrees to pay to the Lessors a sliding scale NSR royalty based on gold price:

- (i) 2.00% when the gold price is less than \$1,000 per ounce;

- (ii) 2.25% when the gold price is between \$1,000 and \$1,500 per ounce;
- (iii) 2.50% when the gold price is between \$1,500 and \$2,000 per ounce;
- (iv) 2.75% when the gold price is between \$2,000 and \$2,500 per ounce; and
- (v) 3.00% when the gold price is more than \$2,500 per ounce.

The Company is granted the exclusive right and option at any time upon 30 days written notice to acquire half of the NSR royalty by paying the Lessors USD\$750,000.

The Company is granted the exclusive right and option at any time upon 30 days written notice to acquire a 100% interest in the Jennings-Robinson Claims and the NSR royalty by paying the Lessors USD\$4,000,000 cash.

Nevada State Tax

Production from the Antelope Property would be subject to the State of Nevada net proceeds of mine tax. The tax is calculated on a sliding scale based on the ratio of net proceeds to gross proceeds, from a rate of 2% to 5% of production net proceeds.

Environmental Liabilities

The Company is not aware of any environmental liabilities to which the Antelope Property may be subject, or any other significant factors or risks that would affect access, title or the Company's ability to perform work on the Antelope Property.

Permitting

The Antelope Property is located on public lands administered by the BLM. Exploration, mining and milling activities on public lands are subject to the BLM's surface management program and applicable legislation. The following paragraphs summarize the BLM permitting requirements for exploration activities.

Activities that generally cause negligible disturbance are considered to be "casual use", including collecting geochemical rock, soil or mineral specimens using hand tools; hand-panning; or non-motorized sluicing. Operators may use motorized vehicles for casual use activities provided that it is consistent with applicable regulations, off-road vehicle use designations and any temporary closures ordered by the BLM. These types of activities do not require the operator to notify, consult or seek approval from the BLM, and no financial guarantee is required. BLM field staff and management are given discretion to determine what activities would ordinarily result in no or negligible disturbance (BLM, 2012).

Activities that result in more than negligible disturbance are not considered casual use. These activities generally include mechanized earth moving equipment, truck mounted drilling equipment and motorized vehicles in areas closed to off-road vehicle use. Operations that use chemicals in the recovery or processing of minerals (i.e., cyanide leaching), or explosives are also not considered casual use. A notice is required for exploration activities greater than casual use, causing surface disturbance of 5 acres or less (a "Notice"). Any activities causing more than negligible disturbance that do not qualify as a notice-level operation, including all mining, must be conducted under an approved plan of operations ("PoO") (BLM, 2012). There is no current Notice or PoO applicable to exploration activities at the Antelope Property.

For notice-level operations, a complete Notice must be filed with the BLM District/Field Office a minimum of 15 calendar days prior to commencing operations. A Notice must include relevant information about

the operator, a description of the proposed activities, a reclamation plan, and a reclamation cost estimate. Within 15 days of receiving the Notice, the District/Field Office will review the filing for completeness, determine whether the operation qualifies as a notice-level operation and inform the operator if any additional actions are required. The BLM will then determine whether the Notice is complete and if the operations will cause any unnecessary or undue degradation. Once these criteria are met, and the operator furnishes an acceptable financial guarantee, the operator may commence operations (BLM, 2012).

A PoO is required for surface disturbance greater than casual use, unless the activities qualify for a Notice filing. The BLM's review of a PoO can be divided into six general categories: completeness review, environmental analysis, financial guarantee establishment, approval decision, monitoring, and reclamation and closure. The level of detail required and amount of time required to review and approve a PoO varies considerably depending on the type and complexity of proposed activities, affected resources, level of environmental analysis, amount of interagency coordinate required, public controversy, and other site-specific conditions. The PoO must contain at minimum all the information required under 43 CFR 3809.401(b) in order to be considered complete; however, BLM reviewers have considerable judgement in identifying applicable information and the required level of detail (BLM, 2012).

A Nevada Division of Environmental Protection reclamation permit is also required for PoO level operations. Other State environmental permits may also be required in conjunction with the PoO, depending on the scope of the operation.

Climate

The climate at the Antelope Property is typical of the northern Great Basin, characterized by hot, dry summers and cold, snowy winters. Humidity and precipitation are low. Climate data for nearby Lages, Nevada (Lages Station) recorded between 1984 and 2016, show an average 8.13 inches of precipitation annually, with 21.9 inches of annual snowfall. Average January maximum and minimum temperatures are 39.4 °F and 13.7 °F, respectively, and average July maximum and minimum temperatures are 89.3 °F and 52.5 °F, respectively (Western Regional Climate Center, 2020).

Local Resources and Infrastructure

The town of Ely, Nevada is located approximately 100 km (60 miles) south-southwest by road from the Antelope Project. According to the United States Census of 2010, Ely has a population of 4,225. West Wendover, Nevada and neighboring Wendover, Utah are located approximately 120 km (75 miles) north-northeast by road. According to the United States Census of 2010, West Wendover and Wendover have a combined population of 5,810. Housing, hotels, groceries, restaurants, supplies, labour, and other general goods and services are available in Ely and Wendover/West Wendover. Both towns have airports with limited charter services available. Heavy equipment operators and other limited industry services are available locally. Ely is home to the William Bee Ririe Critical Access Hospital and Rural Health Clinic.

The nearest cities are Elko, Nevada, 225 km (140 miles) northwest, and Salt Lake City, Utah, 315 km (196 miles) east-northeast, by road. According to the United States Census of 2010, Elko has a population of 18,297. All services are available in Elko, including housing, hotels, groceries, restaurants, supplies, general labour, hospitals, schools and many other goods and services. Full industry services are also available, including multiple drilling contractors, heavy equipment operators, assay prep labs, mining and

exploration supplies, skilled labour, and technical services. Salt Lake City, with a metro population over 1.2 million, offers extensive infrastructure and support for the mining industry.

Power lines are located approximately 20 km east of the Antelope Property, along the U.S. Route 93 corridor.

Surface rights sufficient for mining operations on unpatented claims are provided for under the General Mining Law of 1872, subject to the BLM's surface management program and applicable legislation.

Site Topography, Elevation and Vegetation

Northern Nevada lies within the Great Basin physiographic section of the Basin and Range Province. The area is characterized by north-south trending mountain ranges separated by broad valleys filled with lacustrine-gravel-volcaniclastic deposits. The Antelope Property is situated on the western flank of the Antelope Range, abutting Spring Valley on its west side. Elevations range from around 2,000 m above mean sea level (AMSL) in Spring Valley to over 2,800 m AMSL in the Antelope Range. The highest point in the Antelope Range is Baldy Peak at 2,858 m AMSL, approximately 6.5 km northeast of the Antelope Property boundary. Elevations on the Antelope Property range from about 2,200 m AMSL in the west to 2,500 m AMSL in the east.

Vegetation is typical of northern Nevada. Sagebrush is abundant on the valley floors. Pinyon, juniper and mountain mahogany are found at higher elevations.

HISTORY

The Antelope Property, formerly known as the Poet Property, has been explored intermittently since the early 1980's by a number of operators. Surface work and drilling was completed by Amselco Minerals Inc. ("Amselco") between 1981 and 1985, and by Phelps Dodge Exploration ("Phelps Dodge") in 1988 and 1989. Additional surface work was completed by Dumont Nickel Inc. ("Dumont Nickel") in 2005 and Pilot Gold Inc. ("Pilot Gold"; now known as Liberty Gold Corp.) in 2011 and 2012.

Surface Exploration

Amselco and Phelps Dodge

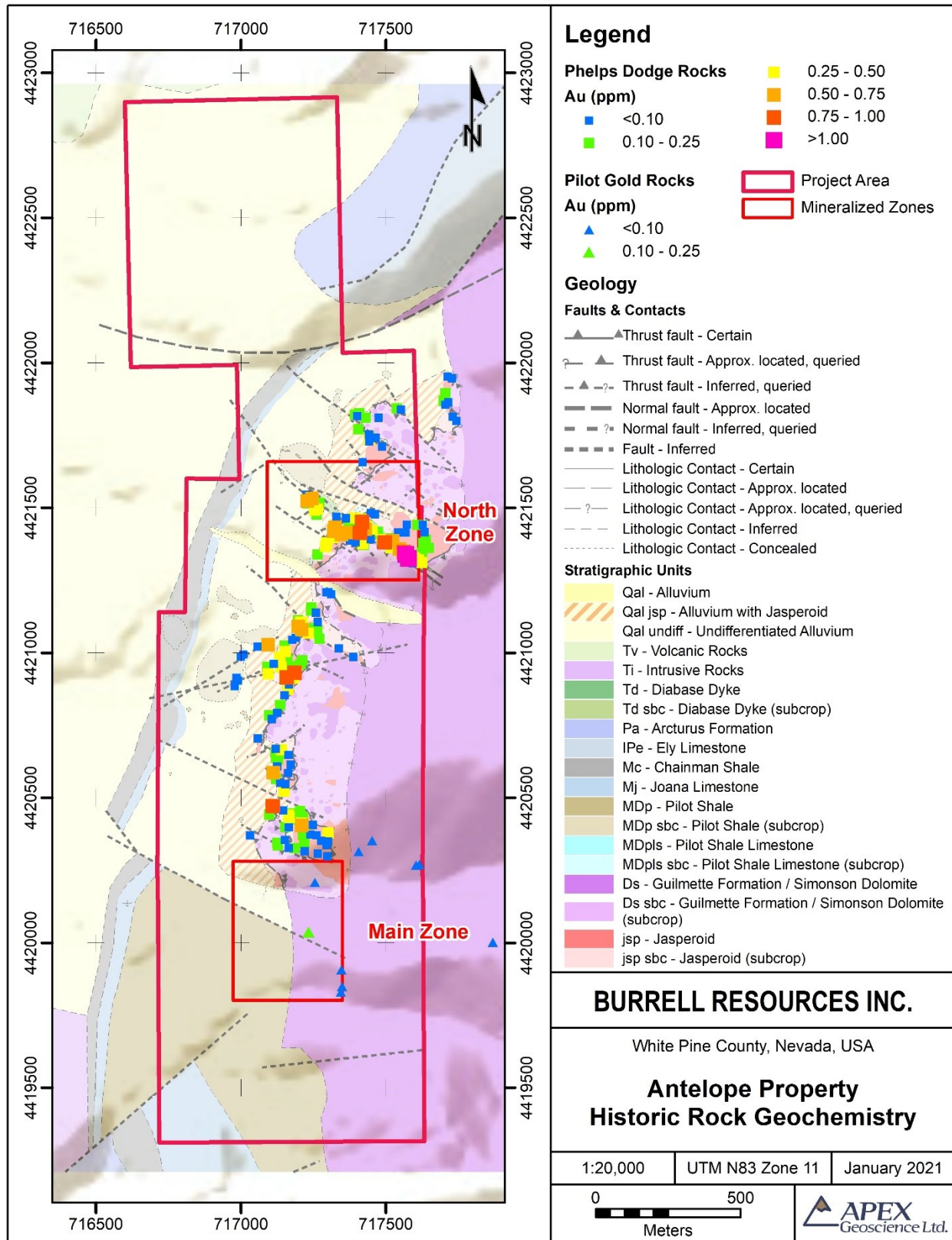
Phelps Dodge completed rock sampling at Antelope from March to June 1989. The sampling focused primarily on testing fault structures and outcropping jasperoid in the middle and northern parts of the Antelope Property (Figure 3). Gold (Au) values were available for 195 Phelps Dodge rock range from 0.01 ppm to 1.24 ppm, with an average of 0.24 ppm Au. Summary statistics for the Phelps Dodge rock samples are presented in Table 2. Some of the highest-grade samples were collected along the faulted margins of a diabase dyke in the North Zone area. None of the samples in the database were collected at the Main Zone, where most of the historical drilling is concentrated.

Table 2 Phelps Dodge Rock Sampling Summary Statistics

| | Au (ppm) |
|--------------------------|-----------------|
| Mean | 0.24 |
| Median | 0.17 |
| Min | 0.01 |
| Max | 1.24 |
| 70th percentile | 0.28 |
| 90th percentile | 0.59 |
| 95th percentile | 0.73 |
| 97.5th percentile | 0.89 |

Phelps Dodge also completed detailed geological mapping of the Antelope Property, which was later digitized by Pilot Gold (Figure 7).

Figure 3 Antelope Property Historic Rock Geochemistry – Gold (Au)



Dumont Nickel

Dumont Nickel leased the Antelope Property in 2005, and in the same year completed a grid soil sampling program over an area of approximately 3600 m by 800 m, covering a large portion of the Baldy and Sherrie claims. A total of 514 samples were collected on 9 lines spaced 100 m apart. A nominal sample station spacing of 50 m was used, with the exception of the most westerly line which used a 100 m station spacing.

Assay results from the soil sampling grid delineate an approximately 1800 m by 300 m trend of anomalous gold in soil across the Antelope Property, with local concentrations in the vicinity of the Main Zone and North Zone (Figure 4). Gold values ranged from below detection to a high of 483 ppb Au. Elevated values were generally associated with mapped fault structures and areas of outcropping jasperoid, and with a diabase dyke in the North Zone area. Pathfinder arsenic (As) and antimony (Sb) concentrations were also identified, generally coincident with elevated gold. Anomalous silver (Ag) and zinc (Zn) values are also present; however, no significant correlation with gold is seen in the data. Summary statistics for the Dumont Nickel soil samples are presented in Table 3.

Table 3 Dumont Nickel Soil Sampling Summary Statistics for Selected Elements

| | Au (ppb) | As (ppm) | Sb (ppm) | Ag (ppm) | Zn (ppm) |
|--------------------------|----------|----------|----------|----------|----------|
| Mean | 9 | 17.7 | 6.3 | 0.30 | 69 |
| Median | 1 | 13.0 | 4.5 | 0.15 | 70 |
| Min | 1 | 2.1 | 0.7 | 0.15 | 16 |
| Max | 483 | 140 | 54.6 | 0.90 | 155 |
| 70th percentile | 7 | 18.0 | 6.79 | 0.40 | 76 |
| 90th percentile | 20 | 31.7 | 12.4 | 0.53 | 87 |
| 95th percentile | 34 | 37.9 | 16.6 | 0.60 | 93 |
| 97.5th percentile | 57 | 51.5 | 20.9 | 0.70 | 106 |

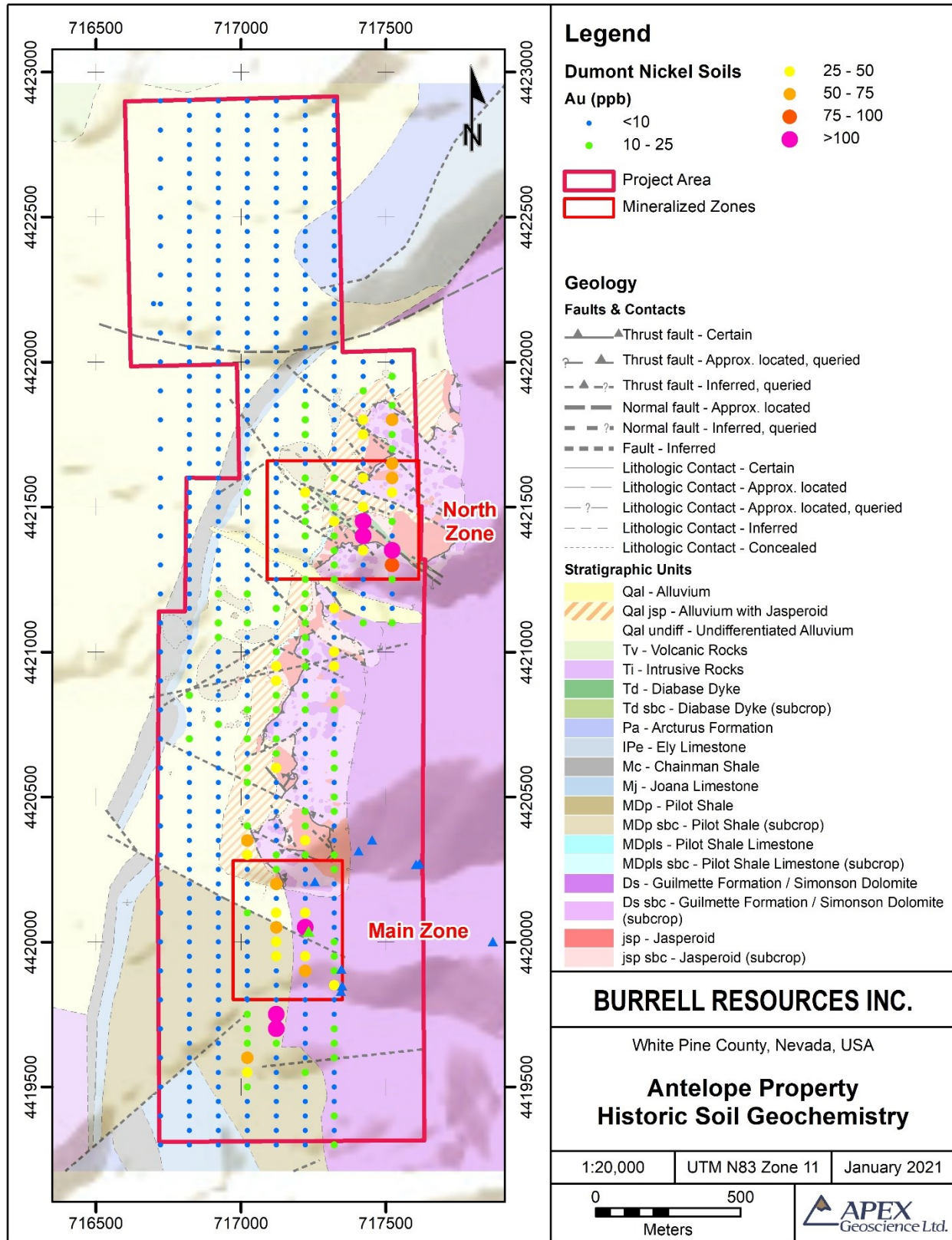
Gold anomalies identified by the Dumont Nickel soil campaign correlate well with the Phelps Dodge rock sampling and historic drilling results.

Pilot Gold

Pilot Gold leased the Antelope Property in 2011, and after an initial site visit, carried out work intermittently during the first half of 2012. Exploration activities included compilation and modeling of historical data, field checking the Phelps Dodge geological map, verification rock sampling, GPS mapping and categorization of the drill road network, and a ground gravity survey. Pilot Gold also staked 12 mining claims west of the current Antelope Property. The Pilot Gold claims have since lapsed.

In 2016, Pilot Gold entered into an option agreement with Logan Resources with earn in rights on several Pilot Gold operated properties, including Antelope. Drilling completed by Logan Resources is discussed in "Drilling".

Figure 4 Antelope Property Historic Soil Geochemistry – Gold (Au)



Data Compilation and Modeling

All available Amselco and Phelps Dodge drilling and surface data were digitized from paper logs and assay sheets, and compiled into a database. Drill collar and assay information were imported to a geodatabase for use in ArcGIS and Leapfrog software. This required coordinate conversions from a local grid and possible NAD 27 coordinates into NAD 83, using Transverse Mercator projection and US Survey Fleet and Nevada State Plane scale factor (Smith, 2015). The point locations agree with road and pad locations from air photos. A USGS 10 m digital elevation model (DEM) was used to estimate elevations for drill holes with missing values (Smith, 2015).

Pilot Gold geologists entered the downhole data into a Microsoft Access database and assigned lithology codes based on the historic drill logs. The lithologies were displayed in 3D in Leapfrog to validate the historically reported mineralization model. The Leapfrog modeling exercise generally corroborated the model of two gently west-dipping sheets of jasperoid hosting low grade gold, punctuated by higher grade zones often associated with faults (Smith, 2015).

Geological Mapping

The digital geological map was produced by digitizing an existing Phelps Dodge geological map and performing spot checks in the field. A total of 568 field stations were visited to verify the geology on the Phelps Dodge map. Smith (2015) noted an excellent correlation between mapped geology and the verification traverses. The digital map produced by Pilot Gold is presented in Figure 6.

Rock Sampling

Pilot Gold collected 11 rock grab samples for due diligence purposes to verify historically reported results (Figure 3). The gold values were similar to those achieved by previous operators, returning values up to 147 ppb Au (Smith, 2015).

Road Network Mapping

The Antelope Property access and historic drill roads were mapped and categorized according to disturbance level, reclamation status and overall condition. The GPS survey was done using a handheld GPS and walking the roads. Roads without any reclamation were categorized as EX1 or EX2, indicating “existing with easy travel” or “existing with more difficult travel,” respectively. Reclaimed roads were denoted as R1 or R2, indicating “reclaimed with possibility of overland travel” or “reclaimed with re-opening necessary”, respectively. Some sections of road which had been previously mapped from air photos were categorized as UND, “undisturbed” such as gullies with no vegetation. Historic drill collars were marked when discovered (Smith, 2015).

Gravity Survey

Between April 29 and May 24, 2012, MWH Geo-Surveys Inc. (“**MWH Geo-Surveys**”) conducted a ground gravity survey over the Antelope Property on behalf of Pilot Gold. J.L. Wright Geophysics Inc. (“**Wright Geophysics**”) was retained to process and interpret the data. Gravity data were acquired at a total of 305 unique stations on and adjacent to the Antelope Property. The objective of the survey was to delineate structures, lithologies and alteration related to gold mineralization, as well as define the pediment geometry in eastern Spring Valley, adjacent to the Antelope Property (Wright, 2012).

The gravity data were acquired on 200 m and 500 m square grids using LaCoste and Romberg gravity meters. Additional stations were acquired along roads surrounding the grid coverage. MWH Geo-Surveys provided a data package including the gravity data corrected to the complete Bouguer anomaly (“CBA”) stage for three densities. Wright Geophysics re-processed the data to generate CBA data for a density of 2.60 grams per cubic centimetre (g/cc), corresponding to the most representative rock types found in the survey area (Wright, 2012).

The CBA data were gridded with a Kriging algorithm using a spacing of 50 m. The gridded CBA data were upward continued 300m with a USGS algorithm to produce a regional (REG), which was subtracted from the CBA grid to produce a residual (RES). Finally, a total horizontal gradient (HG) and first vertical derivative (VD) were computed. All five grids were imaged and contoured for import to GIS software, and referenced to the NAD 83 UTM Zone 11N coordinate system (Wright, 2012).

Interpretation of the survey results, in conjunction with regional gravity and magnetics, suggests there are numerous relatively young northwest to west-northwest-trending structures and fewer northeast to east-northeast-trending structures on the Antelope Property, together with north-south oriented basin and range structures (Wright, 2012). This is in broad agreement with the mapped geology (Figure 5).

The west-dipping package of Paleozoic carbonate and clastic sediments produced a predictable gravity response (Figure 6). North-south contacts produced weak gravity gradients, from high-density Guilmette Formation dolomites (Dg, shown as Ds on the map) in the west to clastic sediments (MDp, Mj, Mc) to basin fill in Spring Valley. The transition between Paleozoic rocks and basin fill produced the strongest gradient. Basin fill is interpreted as primarily Tertiary volcanics (Tv/Tov) with a relatively thin quaternary cover (Qal), at least near the basin edge. Gravity lows were observed along the tops of ridges within the mapped dolomites (Dg/Ds) east of the Antelope Property. These may correspond to remnants of clastic sediments (MDp?) on topographic highs (Wright, 2012).

Figure 5 Antelope Property Gravity Survey Interpreted Structures with Geology
 See Figures 3, 4, 8, or 11 for complete geology legend.

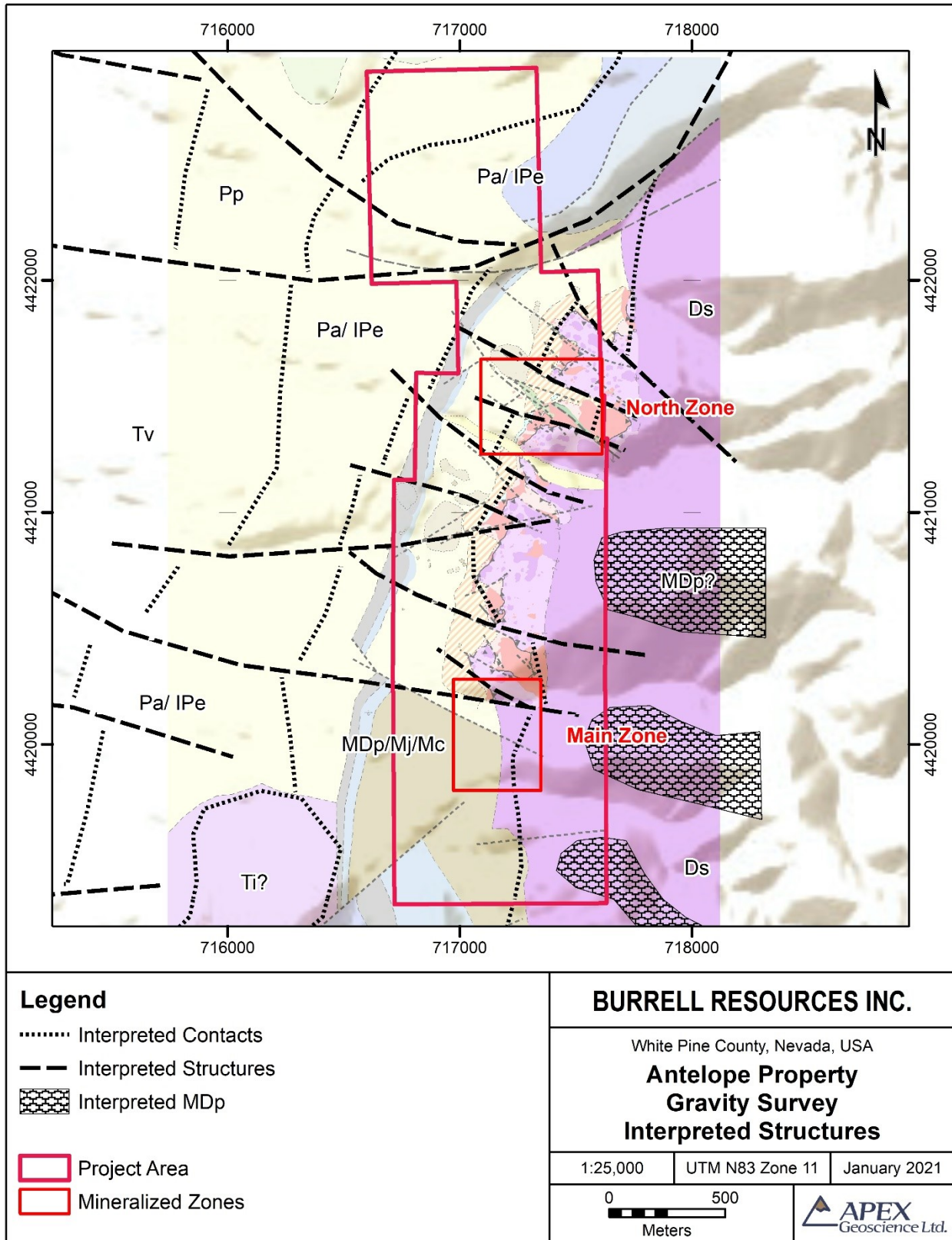
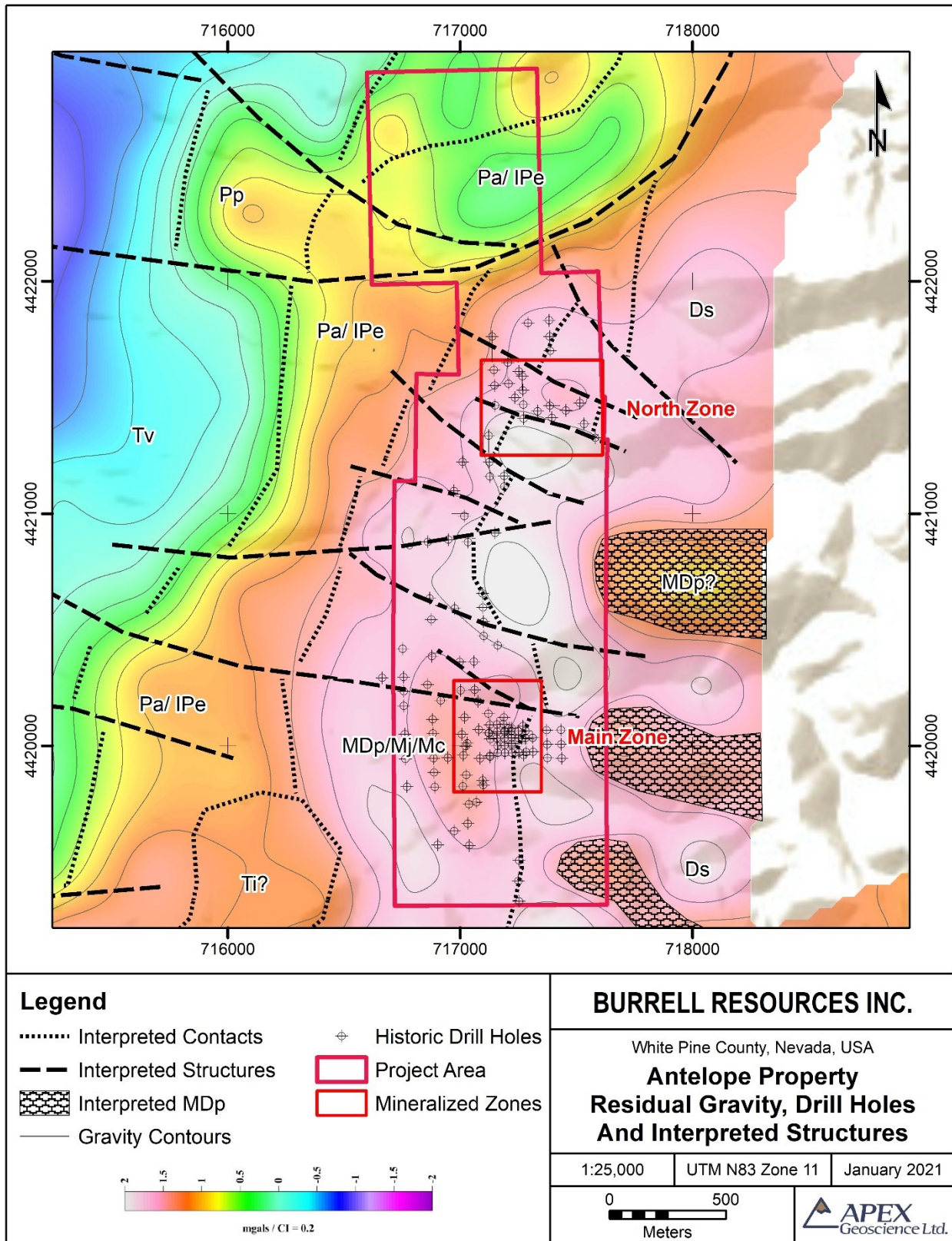


Figure 6 Antelope Property Residual Gravity with Interpreted Structures and Drill Holes



Soil and rock geochemistry suggest a strong stratigraphic control on mineralization with secondary control by cross-cutting west-northwest structures. Extensive jasperoid alteration is mapped along the contact between Guilmette Formation dolomites (Dg/Ds) to the east and Pilot Shale clastics (MDp) to the west. Historical drilling was concentrated along this contact with no drilling along any other contacts, specifically the Acturus Formation (Pa) and Ely Limestone (IPe) contact to the west, as interpreted from the gravity survey. This area is interpreted to be covered by a thin veneer of Qal and would constitute another carbonate/clastic contact akin to the Ds/MDp but with reversed positions (Wright, 2012). Figure 6 shows the drill collars with the residual gravity and interpreted structures.

GEOLOGICAL SETTING, MINERALIZATION AND DEPOSIT TYPES

The Antelope Property is located on the western flank of the Antelope Range of northeastern Nevada, within the eastern Great Basin. Tectonic events extending back to the Proterozoic controlled the evolution of Great Basin geology and development of Carlin-type deposits in Nevada. Rifting, followed by several compressional orogenies, produced a structural and stratigraphic framework favorable for the formation of Carlin-type mineralizing systems.

Regional Geology

Precambrian

During the Mesoproterozoic formation of Rodinia, a number of northwest and north-striking faults were produced as Paleoproterozoic terranes were accreted to the Archean Wyoming craton (Cline et al., 2005; Muntean et al., 2011). Subsequent continental breakup and rifting began in the Mesoproterozoic (1.3 to 1.0 Ga) and continued into the Neoproterozoic (0.9 to 0.6 Ga), separating Laurentia from an adjoining crustal block (Karlstrom et al., 1999; Timmons et al., 2001; Cline et al., 2005), and delineating the Cordilleran miogeocline (Dickinson, 2006).

A westward-thickening wedge of Neoproterozoic and early Cambrian clastic rocks accumulated on thinned crystalline basement during the rift phase of extension (Stewart 1972, 1980; Poole et al., 1992; Cline et al. 2005). Following active rifting, a miogeoclinal sequence developed, along which passive margin sedimentation continued until mid-Late Devonian time (Cline et al., 2005; Dickinson, 2006).

Paleozoic

Cambrian to Devonian strata of the eastern Great Basin record an evolution of platform architecture through four stages of growth from: 1) distally steepened ramps with submarine fans (Late Cambrian to Early Ordovician); to 2) low-angle homoclinal ramps (Late Ordovician); to 3) rimmed platforms with low-angle depositional slopes and slope aprons (Silurian to Early Devonian); to 4) rimmed platforms with high-angle base-of-slope debris aprons (Early Devonian to Late Devonian; Cook and Corboy, 2004; Cook, 2015). Throughout its development, the platform underwent episodic sea level rises and falls that significantly affected the sequence stratigraphy of carbonate facies. Instability caused by erosion of platform margins during sea level lowstands resulted in slides, slumps, debris flows, and turbidities transported into deep-water environments while karsts formed in shallow-water environments (Cook, 2015).

The Late Devonian to Early Mississippian Antler orogeny thrust eugeoclinal siliciclastic and basaltic rocks eastward over the miogeoclinal carbonate sequence, forming the Roberts Mountain thrust (Cline et al., 2005; Dickinson, 2006; Muntean et al., 2011; Cook, 2015). Loading by the Roberts Mountain allochthon

and subsequent warping of the continental margin produced the Antler foreland basin in eastern Nevada (Cline et al., 2005; Cook, 2015). Siliciclastic sediments eroded from the Antler highlands were shed westward, as well as eastward into the foreland basin (Cook and Corboy, 2004). The combined effects of downward warping, influx of siliciclastic material and isolation from open-ocean nutrients killed most of the calcium carbonate producing organisms comprising the carbonate platform (Cook, 2015).

Early sedimentation of the foreland basin comprised deep-water siliciclastic mudstones, siltstones and turbidites until Upper Mississippian and Pennsylvanian shallow-water carbonates were able to propagate seaward (Cook and Corboy, 2004; Cook, 2015). Shallow-water carbonate sedimentation continued during the remainder of the Paleozoic, accompanied by intermittent tectonic activity. Thrusting of deformed Havallah oceanic facies during the Late Permian to mid-Early Triassic Sonoma orogeny emplaced the Golconda allochthon over the dormant Antler orogen during the Early Triassic (Cline et al., 2005; Dickinson, 2006).

Mesozoic

By the Middle Triassic, an east dipping subduction zone was established along the western margin of North America, initiating the Cordilleran magmatic arc (Cline et al., 2005; Dickinson, 2006). The main magmatic arc, represented by the Mesozoic granitic batholiths of the Sierra Nevada Range, lay to the west of northern Nevada. Magmatism in northern Nevada began with emplacement of Middle Jurassic, back-arc volcanic-plutonic complexes and lesser lamprophyre dykes (Cline et al., 2005). East-directed contractional deformation during the coeval Elko Orogeny affected strata over much of the Great Basin from central Nevada to central Utah. The Elko orogeny resulted in local low-grade metamorphism, and produced a north-trending belt of east-verging thrusts and folds, including both older-over-younger and younger-over-older attenuation faults (Thorman and Peterson, 2004; Cline et al., 2005).

Crustal thickening during the Late Cretaceous Sevier and Laramide orogenies resulted in a shift from I-type granitoids in the Early Cretaceous to S-type peraluminous granites in the Late Cretaceous (Barton, 1990; Burchfiel et al., 1992; Cline et al., 2005). At ~65 Ma magmatism swept eastward into Colorado and did not resume in Nevada until ~42 Ma (Cline et al. 2005).

Cenozoic

From the Late Cretaceous to the middle Eocene, the oceanic Farallon and Kula plates were spreading apart while subducting beneath North America (Cline et al., 2005). The spreading ridge intersected the North American plate somewhere between British Columbia and Mexico (Engelbreton et al., 1985), with the slab window produced by the subducting ridge passing northward through Nevada at the beginning of the Eocene, at ~54 Ma (Breitsprecher et al., 2003; Cline et al., 2005).

Late Eocene to early Miocene magmatism within the Great Basin was associated with a migration of arc magmatism back towards the coast, following an amagmatic interval of shallow slab descent (Dickinson, 2006). High potassium calc-alkaline magmatism in northern Nevada began ~42 Ma and moved south, culminating in Oligocene-Miocene volcanic activity in central-southern Nevada (Armstrong and Ward, 1991; Seedorff, 1991; Henry and Boden, 1998; Cline et al., 2005). Over wide areas, mid-Cenozoic plutonism was the most prominent intrusive episode in the Great Basin since back-arc Jurassic plutonism (Miller et al., 1987; Dickinson, 2006).

Migratory Eocene to Oligocene magmatism has been linked to intracontinental extension; however, patterns of seafloor magnetic anomalies indicate that subduction was under way along the continental margin throughout the evolving magmatic episode (Dickinson, 2006). Mid-Cenozoic extensional intra-arc and back-arc tectonism and volcanism accompanying arc migration can be linked to removal or rollback of the Farallon plate from the base of the North American lithosphere (Cline et al., 2005; Dickinson, 2006). The spatial and temporal overlap of Carlin-type deposits with the onset of Cenozoic volcanism and extension in northern Nevada suggests a fundamental link between these phenomena (Seedorff, 1991; Hofstra, 1995; Ilchik and Barton, 1997; Henry and Boden, 1998; Hofstra et al., 1999; Cline et al., 2005).

The topography of the Great Basin and Basin and Range Province is a direct result of the shift from compressional to extensional tectonism during the Cenozoic Era. Following a period of little to no surface-breaking tectonic activity from the end of the Sevier orogeny to the middle Eocene, numerous regional extensional basins began to develop across northern Nevada and western Utah. Eocene extension was oriented broadly northwesterly to westerly, largely accommodated by heterogeneous shear and tensional reactivation of favourably oriented, pre-Eocene structures as strike-slip, oblique-slip and normal-slip faults. Heterogeneous extension of the Great Basin, accompanied by magmatism, continued through the Oligocene and early Miocene (Cline et al., 2005).

Development of the modern basins and ranges began in the early Miocene after the San Andreas transform system was established as the boundary between the Pacific and North American plates (Dickinson, 1997; Dickinson, 2006). At this time there was a fundamental change in extensional style to classic basin-range deformation characterized by widely spaced, steeply dipping normal faults creating a series of variably tilted fault blocks separated by alluvial basins (Cline et al., 2005). Basin and range-style faulting was accompanied by basaltic volcanism from 17 to 14 Ma, and basaltic and bimodal volcanics since 14 Ma (Christiansen and McKee, 1978; Cline et al., 2005).

Local Geology

Hose and Blake (1970) produced a 1:250,000 scale U.S. Geological Survey Open File map of White Pine County, including the Antelope Range and surrounding areas. Hose et al. (1976) describes the stratigraphy, structural geology and mineral resources of White Pine County in a Nevada Bureau of Mines and Geology Bulletin. The following paragraphs are largely summarized from Hose et al. (1976). The geology of the Antelope Range and surrounding area is presented in Figure 7.

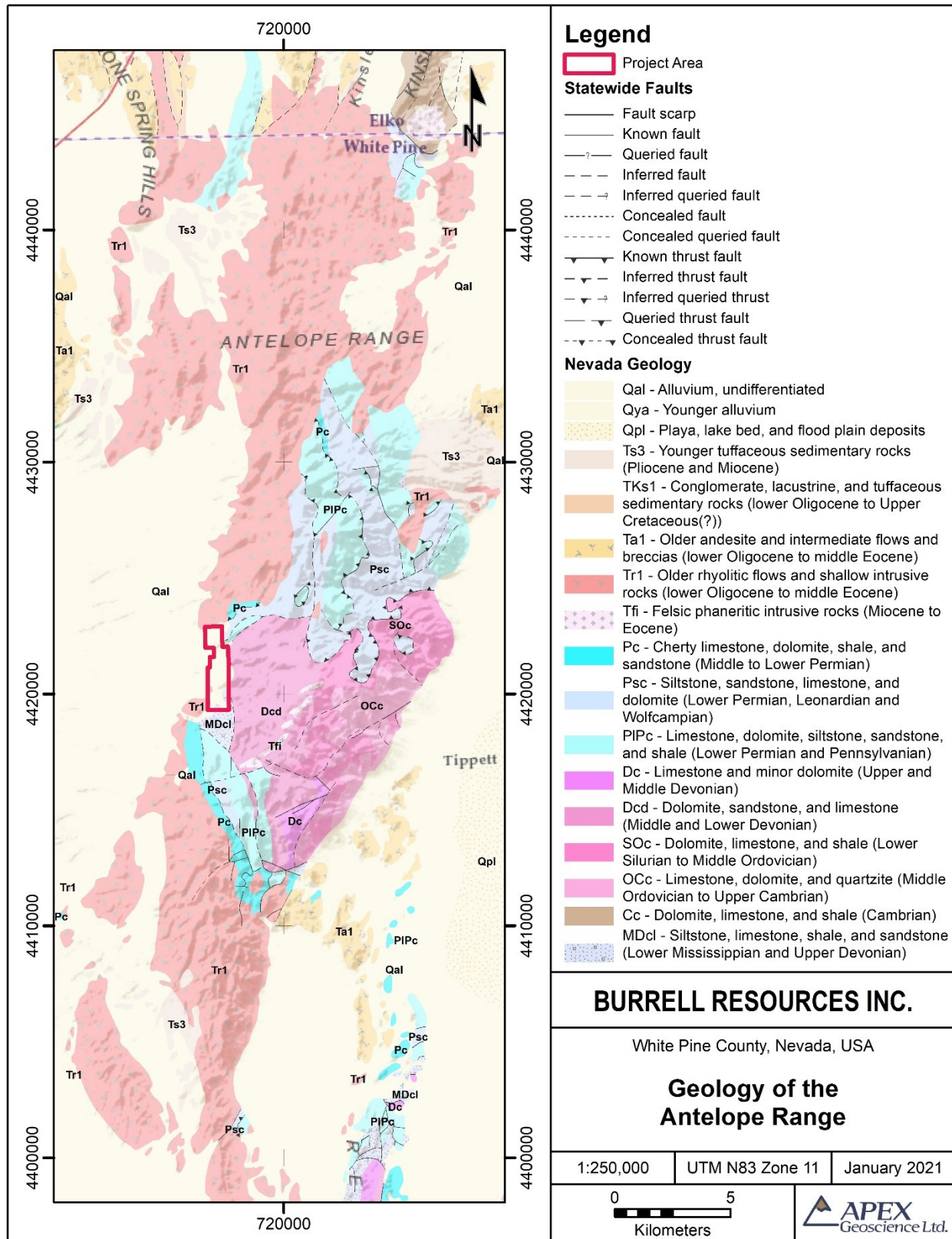
East-central Nevada formed part of the Cordilleran miogeocline during a period of significant sedimentation from the Late Proterozoic to Early Triassic. Throughout most of White Pine County, the Paleozoic units maintain a relatively uniform character or change in lithology and thickness gradually. Middle Triassic, Upper Triassic and Lower Jurassic strata are notably absent in the county, and the only Cretaceous rocks observed are nonmarine strata exposed in the Diamond Mountains, resting unconformably on rocks aged Ordovician to Permian. Tertiary (Paleogene and Neogene) rocks are mainly volcanic with some sedimentary units, and Quaternary rocks are sedimentary and mostly unconsolidated (Hose et al., 1976).

Most structural features in White Pine County were produced by two major, multiphase tectonic events – the Cretaceous to Paleogene Sevier-Laramide orogeny and the Basin and Range formational events, beginning in the Eocene. Paleozoic tectonic activity is recorded locally, particularly in the western part of the county (Hose et al., 1976).

The central, Paleozoic portion of the Antelope Range can be generally described as a westward-tilted block with older strata, up to Ordovician in age, exposed on the east side, and strata as young as Permian exposed on the west side (Hose et al., 1976; Smith, 2015). A large, low-angle fault in the range moved the Pennsylvanian Ely Limestone over the Permian Arcturus Formation. This fault is offset by high-angle faults, which are in turn truncated by a fault that moved the Arcturus over Ordovician, Silurian and Devonian Strata (Hose et al., 1976).

The north and south ends of the Antelope Range are underlain by Tertiary volcanic and/or sedimentary rocks. The basins flanking the range are filled with Quaternary sediments, with some outcropping Tertiary volcanic rocks and minor Paleozoic strata south of the range in the Red Hills area of the Antelope Valley.

Figure 7 Geology of the Antelope Range, White Pine County, Nevada



Property Geology

The following sections are summarized from descriptions of the Antelope Property geology by Smith (2015) and general lithological descriptions by Hose et al., (1976). The geology of the Antelope Property is presented in Figures 8 and 9. The property-scale geology map (Figure 8) was produced using shapefiles created by Pilot Gold, digitized from a Phelps Dodge geological map. Pilot Gold performed spot checks at 568 individual stations to verify the geology on the Phelps Dodge Map. Smith (2015) noted an excellent correlation between mapped geology and the verification traverses.

Paleozoic Stratigraphy

The following section presents the stratigraphic sequence based on mapping and drill results. Stratigraphic unit names follow conventions used by previous operators.

Dolomite A - Upper Devonian Guilmette Formation and/or Simonson Dolomite (Dg/Ds)

The oldest rocks on the Antelope Property comprise massive dolomites assigned to the Upper Devonian Guilmette Formation and/or Simonson Dolomite ("Dolomite A"). Most drill holes terminate in this unit, which is of unknown thickness (Smith, 2015). The resistant dolomite forms the crest of the ridge in the east.

There is some disagreement among previous operators regarding which stratigraphic unit Dolomite A belongs to. The Phelps Dodge Property geology map indicates that it belongs to the Simonson Dolomite (Ds). Mapping by Hose et al. (1976) at 1:250,000 scale shows the Simonson Dolomite forming the ridge to the east. However, Smith (2015) suggests that the dolomite likely belongs to the Guilmette Formation, based on descriptions (e.g., Drewes, 1967) of the Guilmette Formation elsewhere in the nearby Schell Creek Range which include an upper dolomite and shale members. In this Report, the Author assumes Dolomite A represents the Guilmette Formation, in agreement with Smith (2015).

The Guilmette Formation lies conformably over the Simonson Dolomite. Regionally, it is characterized by even-bedded, dark grey to greyish black sublithographic limestone, typically forming beds 1 to 5 feet thick, with lesser thin bedding and thick, massive beds. As much as 30 percent of the formation is dolomitic. The Guilmette dolomite is medium to dark grey, weathering to light olive grey to brownish black (Hose et al., 1976). The base of the formation is mainly thickly bedded limestone or dolomitic limestone. Silty rocks generally appear near the middle of the formation and become more abundant upward (Drewes, 1967).

Jasperoid A (jsp)

In the Main Zone in the southern part of the claims, an approximately 30 metre thick jasperoid horizon sits above the Guilmette Formation dolomite.

Figure 8 Geology of the Antelope Property, White Pine County, Nevada

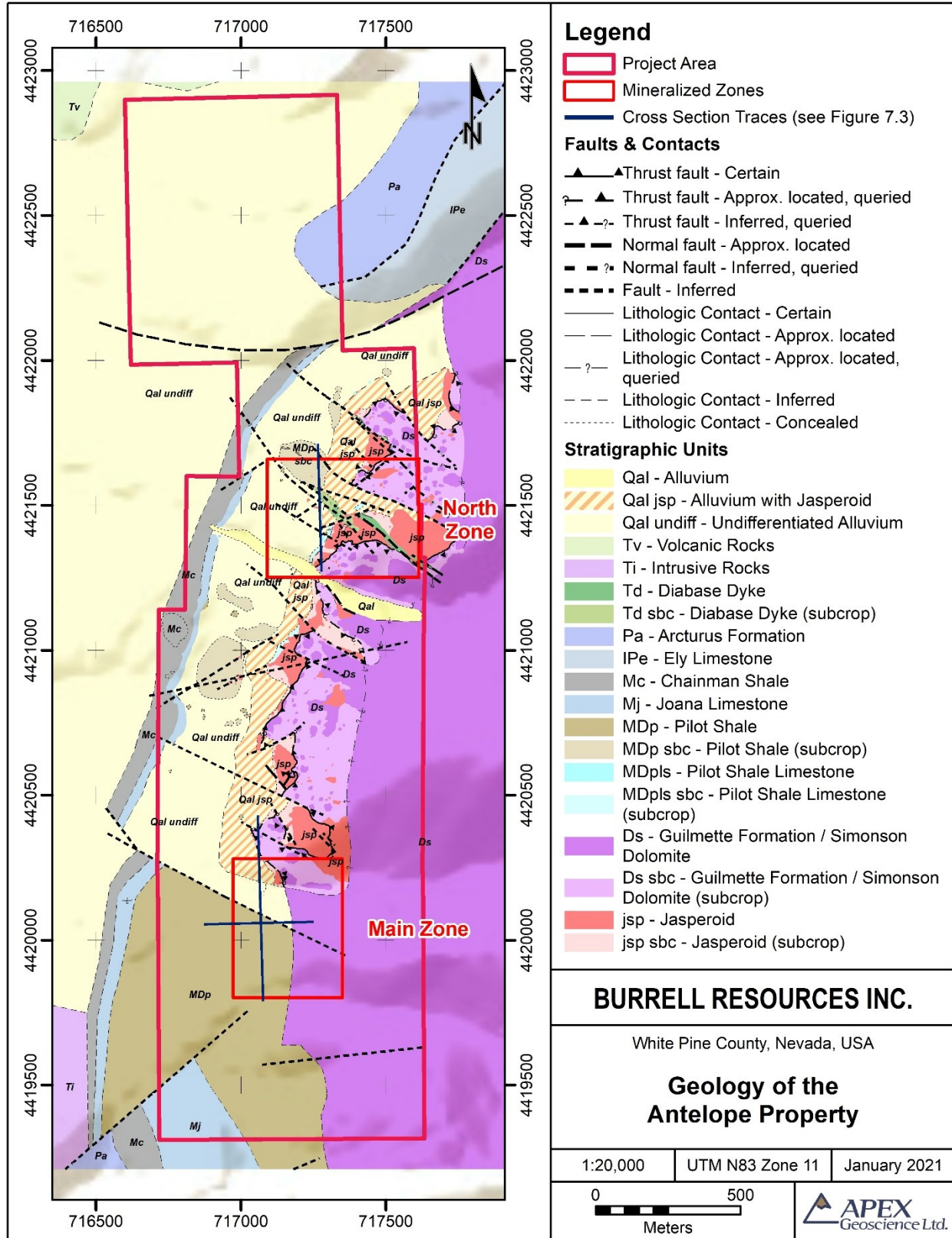
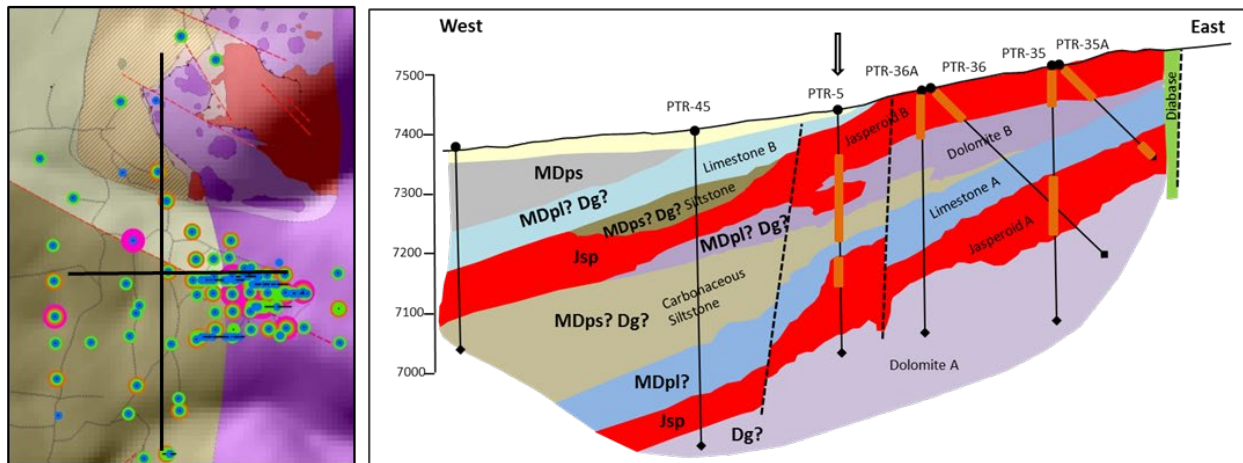
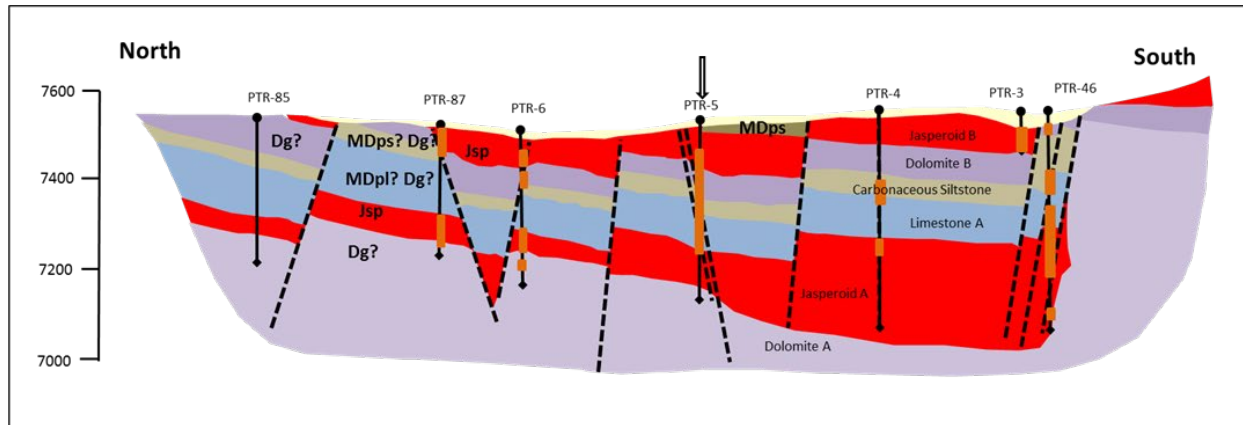
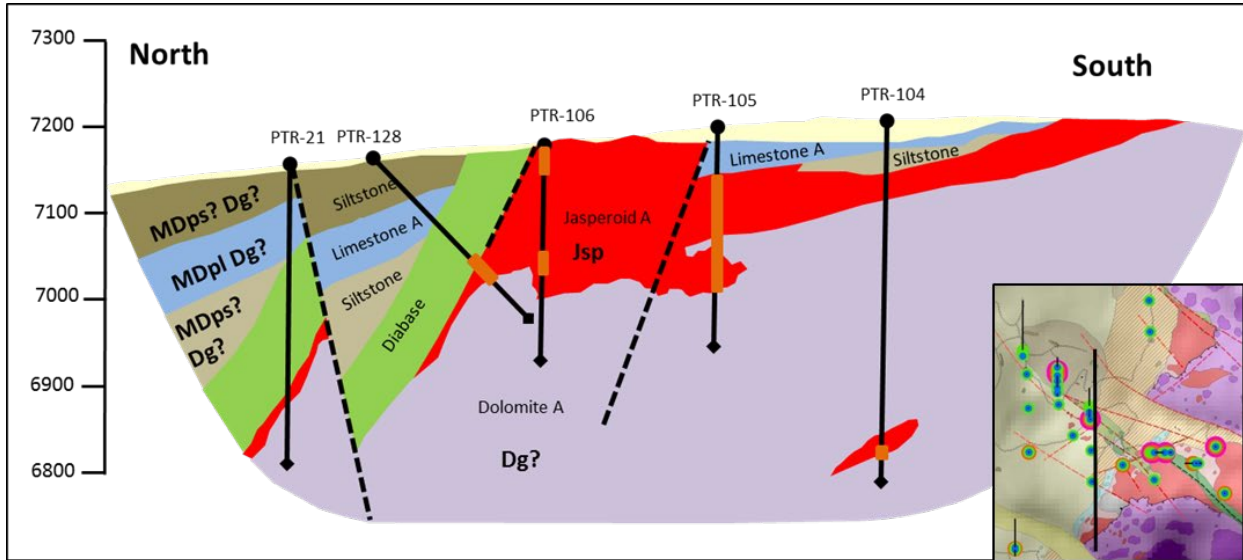


Figure 9 Cross-section and Long-sections of the Antelope Property (Source: Smith, 2015)
 Drill hole assays shown on inset plan maps. See Figure 8 for section locations and full geology legend.
 Top: North Zone long-section. Centre: Main Zone long-section. Bottom: Main Zone cross-section. The oldest and deepest unit is the Guilmette Formation and the uppermost is likely the Pilot Shale. The intervening sequence is uncertain.



Limestone A - Uppermost Devonian to Lowermost Mississippian Pilot Shale – Limestone Member (MDpl)

Above Jasperoid A is an approximately 20 to 30 metre thick limestone unit, designated “Limestone A” or limestone member of the Uppermost Devonian to Lowermost Mississippian Pilot Shale (Smith, 2015). Hose et al. (1976) describes local occurrences of thin-bedded nodular, argillaceous and silty limestone and clay shale within the Pilot Shale. Locally, Pilot Shale siltstone and shale are limy (Hose et al., 1976).

Carbonaceous Siltstone - Uppermost Devonian to Lowermost Mississippian Pilot Shale (MDps)

Above the Pilot Shale limestone on some cross sections is a unit of carbonaceous siltstone sometimes referred to as Pilot Shale (Smith, 2015). Hose et al. (1976) describes the Pilot Shale as predominantly platy, slope-forming olive grey dolomitic siltstone, interbedded with silty shale that weathers dusky yellow grey and usually contains a large proportion of silt-sized quartz grains.

Dolomite B (MDpl? Dg?)

Above the Pilot Shale carbonaceous siltstone is another dolomite unit up to 24 metres thick. “Dolomite B” appears to be the dolomite unit that crops out on surface at the Antelope Property (Smith, 2015).

Jasperoid B (jsp) & Siltstone Lenses (MDpl? Dg?)

A second, approximately 100 metre thick jasperoid horizon sits atop Dolomite B, followed by discontinuous lenses of siltstone (Smith, 2015).

Limestone B (MDpl? Dg?)

Jasperoid B and the siltstone lenses are overlain by a second, approximately 20 metre thick limestone unit, known as “Limestone B”. It is not exposed on the surface owing to a persistent layer of alluvium along the base of the slope and extending west into the basin (Smith, 2015).

Shale – Pilot Shale (MDps?)

Limestone B is overlain by a brown to grey, recessive-weathering shale horizon, designated Pilot Shale on surface maps (Smith, 2015).

Joana Limestone (Mj)

The shale horizon is overlain by a thin limestone horizon designated the Joana Limestone on surface maps. It is relatively resistant and forms a persistent north-south striking, west-dipping ridge on the west side of the Antelope Property (Smith, 2015). The Joana Limestone consists mainly of massive medium grey to medium-light grey limestone that forms resistant ledges or cliffs. Locally, the beds are less than a foot thick and the unit forms ragged, ledgy slopes (Hose et al., 1976).

Chainman Shale (Mc)

The Chainman Shale sits atop the Joana Limestone. It is only exposed in the immediate vicinity of the Joana Limestone and is covered by alluvium to the west (Smith, 2015). The Chainman Shale is generally

lithologically uniform, consisting mainly of very dark grey to black shale and olive grey platy siltstone or silty shale (Hose et al., 1976).

Ely Limestone (IPe) and Arcturus Formation (Pa)

A northeast striking fault zone with northwest side-down apparent movement separates the Lower and Middle Paleozoic rocks from massive limestones of the Pennsylvanian Ely Formation and calcareous sandstone of the Permian Arcturus Formation in the far northeast of the Antelope Property (Smith, 2015).

Smith (2015) proposed three possible scenarios to explain the stratigraphic sequence observed in surface mapping and drilling at Antelope:

1. The top of the lower Dolomite A is the top of the Guilmette Formation, and the overlying Pilot Shale consists of interlayered limestone, siltstone, dolomite, siltstone, limestone and shale.
2. There are one or more thrust faults repeating the sequence, such that the lower Limestone A and carbonaceous siltstone represent the Pilot Shale, and are overlain by a thrust plate consisting of dolomite, limestone and siltstone, overlain by shale.
3. The Guilmette Formation includes an upper sequence of interlayered limestone, siltstone and dolomite.

In the northern target area (North Zone), Dolomite A is overlain by jasperoid, siltstone, Limestone A and siltstone. It is possible, but unlikely, that the upper dolomite, limestone, and shale units are eroded away (Smith, 2015).

The property-scale stratigraphy is not fully understood and will require additional investigation to resolve.

Igneous Rocks

Several northwest-striking dykes are mapped (Td), primarily in the North Zone area. The dykes are green to white (chloritized or clay altered) diabase. A feldspar-porphyrific phase was noted in the vicinity of the large dyke in the North Zone, suggesting at least two generations of intrusive rocks may be present (Smith, 2015). Tertiary intrusive rocks (Ti) are mapped southwest of the Antelope Property and Tertiary volcanic rocks (Tv) are mapped to the north.

Structural Geology

A series of northwest striking, primarily northeast-down normal or oblique faults were mapped based on observed offset in the stratigraphy. A secondary set of northeast striking, northwest-down faults were also mapped, including the large fault in the north of the Antelope Property separating the Lower and Middle Paleozoic strata from the Permo-Pennsylvanian strata to the north. All faults dip steeply and appear to be primarily brittle. The faults are believed to be Eocene in age, as they are spatially related to higher-grade gold mineralization (Smith, 2015).

Several thrust faults are mapped, mainly in the vicinity of the shale and jasperoid units. Thrust faults are also shown in some cross-sections prepared by previous operators, likely attempting to explain the

apparent repetition of dolomite, limestone and siltstone in the observed stratigraphy (Smith, 2015). Additional data is required to verify or disprove the presence of these fault structures.

Alteration & Mineralization

The main alteration observed at Antelope is decalcification with silicification (jasperoid). Continuous jasperoid sheets up to 40 metres thick are observed, replacing limestone, dolomite, or siltstone. The jasperoid is massive to vuggy, with networks of small, white quartz veins. Clay (argillization), pyrite, arsenical pyrite and arsenopyrite and their oxidized variants are also present (Smith, 2015). Decalcification is observed locally.

Gold mineralization at the Antelope Property is found primarily within the jasperoid horizons. No visible gold is observed; however, minor very fine-grained pyrite is found locally. It is believed that gold mineralization started as very fine-grained arsenical pyrite within the jasperoid and was subsequently oxidized, analogous to other sedimentary rock-hosted gold deposits in the region. Elevated arsenic, mercury, antimony, and thallium are associated with gold mineralization. Silver and base metal concentrations are generally low where gold is elevated (Smith, 2015).

Gold is also present on the margins of the diabase dykes. It is not clear if the gold is hosted within the dykes themselves or is just marginal to them. The diabase is greenish chlorite altered to white clay altered (Smith, 2015).

Two main mineralized zones exist on the Antelope Property, as defined by surface sampling and drilling: The Main Zone and the North Zone (Figures 8 and 9). Main Zone mineralization is hosted primarily within jasperoid with lesser mineralization found in carbonaceous siltstone and dolomite horizons. Mineralization in the North Zone is found in both jasperoids and along the margins of a large diabase dyke. Gold grades in both zones are elevated in proximity to steep, northwest striking structural zones.

Deposit Types

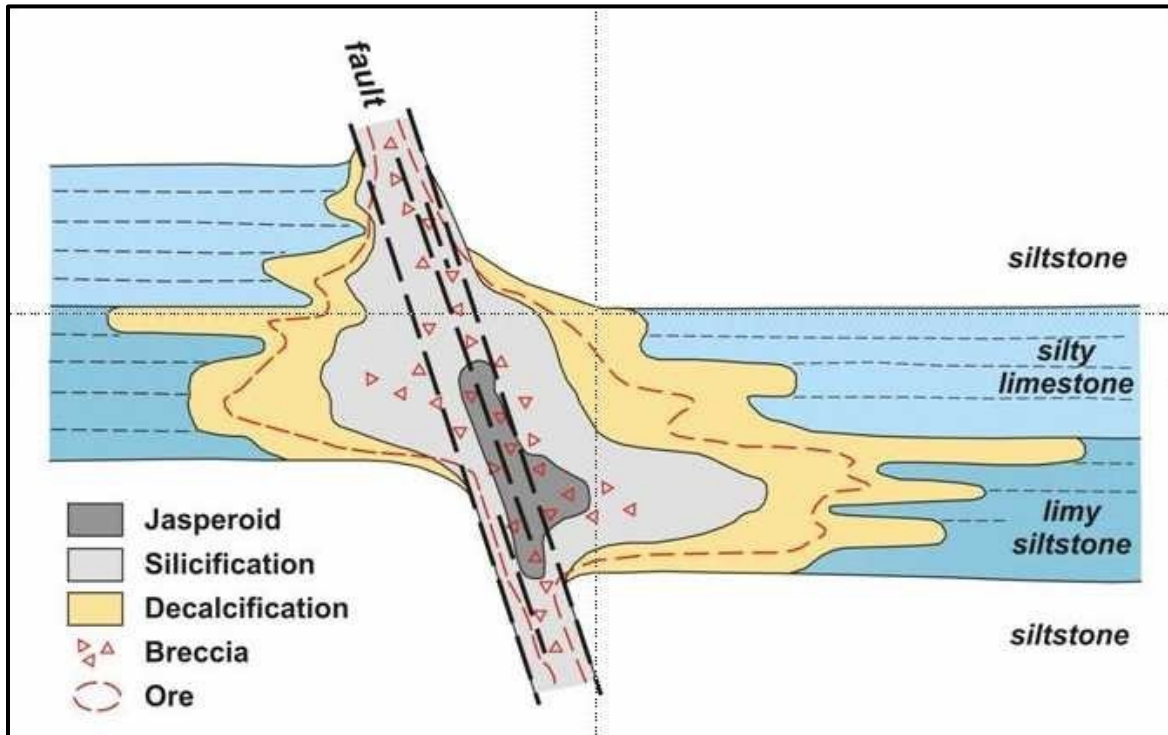
The deposit type of interest at the Antelope Property is Carlin-type, sedimentary rock-hosted gold mineralization. Carlin-type gold deposits in northern Nevada represent the second highest concentration of gold in the world after deposits in South Africa (Muntean et al., 2011). In 2018, Nevada accounted for 5.3% of global gold production and 83% of U.S. gold production, making the U.S. the fourth leading gold producer worldwide. Only China, Australia and Russia produced more gold than Nevada in 2018 (Nevada Bureau of Mines and Geology, 2019).

Carlin-type gold deposits are hydrothermal replacement bodies hosted primarily by lower Paleozoic miogeoclinal carbonate rocks (Muntean et al., 2011). Deposits are characterized by visually subtle alteration dominated by decarbonization of silty host rocks, often with the addition of silica. Gold is found in solid solution or as sub-micron particles in pyrite or marcasite, and is associated with elevated arsenic (As), antimony (Sb), mercury (Hg) and thallium (Tl) and with low silver (Ag) and base metal values (Cline et al., 2005; Robert et al., 2007; Muntean et al., 2011). Carlin-type deposits occur in clusters or along trends (Carlin trend, Battle Mountain trend, Jerritt Canyon etc.) and exhibit both stratigraphic and structural controls. The geometry of individual orebodies reflects local zones of porosity and permeability related to favorable lithological and structural features, especially where these features intersect (Cline et al. 2005).

There are a number of characteristic features that are common to Carlin-type deposits, as summarized from Cline et al. (2005), Robert et al. (2007) and Muntean et al. (2011):

- Formed during Eocene and Oligocene periods (~42 to 34 Ma), corresponding to a change from compressional to extensional tectonics and renewed magmatism in northern Nevada.
- Occur in clusters along old, reactivated basement rift structures and concentrated in calcareous host rocks within or adjacent to structures in the lower plate of a regional thrust.
- High-angle northwest and northeast structures control ore. In some districts, low-angle structures control ore.
- Carbon and pyrite-rich silty limestone or limey siltstone host rocks.
- Associated alterations include widespread decalcification of host rocks with more proximal argillization, silicification, jasperoid and sulphidation of Fe (Figure 10). Intense decalcification leads to large-scale dissolution and development of collapse breccias, significantly enhancing porosity, permeability and fluid-rock reaction, and the potential to form high-grade ore.
- Main ore stage paragenesis comprises (fine-grained) Au-bearing arsenical pyrite and marcasite, quartz, kaolinite, dickite and illite. Late ore stage paragenesis comprises (generally macroscopic) calcite, pyrite and/or marcasite, quartz, orpiment, realgar and stibnite, in fractures, veinlets and cavities.
- Ore signature is Au-As-Sb-Hg-Tl-(Te) with low Ag and base metal values. Au:Ag ratio is typically >1.
- Low-salinity, acidic, non-boiling ore fluids (~180 to 240°C).
- Spatial, but not necessarily temporal, association with intrusive rocks. Dykes, sills and/or intrusions approximately coeval with mineralization have been identified in some but not all districts.

Figure 10 Cross-section of a Hypothetical Carlin-type Sediment Hosted Gold Deposit (Source: Robert et al., 2007)



Carlin-type deposits in northern Nevada generally occur in the lower plate to the Devonian to Mississippian Roberts Mountain thrust, which placed nonreactive, fine-grained siliciclastic rocks with lower permeability above more permeable Paleozoic slope-facies carbonate turbidites and debris flows (Cline et al., 2005; Robert et al., 2007). Post-rifting orogenic events led to the development of structural culminations (doubly plunging anticlines and domes) of highly fractured, reactive rocks, some of which subsequently acted as depositional sites for auriferous fluids (Cline et al., 2005; Muntean et al., 2011). Eocene extension reopened favorably oriented older structures as high-angle northwest and northeast strike-slip, oblique-slip, and normal-slip faults, controlling the regional position, orientation and alignment of deposits (Cline et al., 2005).

Other sedimentary rock hosted disseminated gold deposit types exhibit similarities to Nevada Carlin-type gold deposits, including deposits in northern Nevada that are linked to porphyry-type mineralizing systems. Cline et al. (2005) suggests that these deposits are products of several well-recognized and distinctly different types of hydrothermal systems versus Carlin-type. These intrusive-related systems exhibit many characteristics of Carlin-type Au deposits, but have higher Ag and base metal concentrations, form from higher temperature and higher salinity fluids, and have clear spatial and genetic relationships with porphyry systems (Cunningham et al., 2004; Cline et al., 2005).

EXPLORATION

To date, the Company has not completed any surface exploration work at the Antelope Property.

DRILLING

Amselco

Amselco drilled a total of 32 holes in three separate campaigns at the Antelope Property: December 1981, August 1983 and July 1985. A total of 10,530 feet (3,210 m) was drilled, with an average hole depth of 329 feet (~100 m). The drilling was completed using a rotary percussion rig. No information is available regarding the drilling contractor, or sampling procedures. It is assumed that no down-hole surveys were completed. Owing to the shallow depth of drilling, little deviation would be expected. The method of locating collars is unknown.

Phelps Dodge

Phelps Dodge drilled a total of 106 holes in three separate campaigns at the Antelope Property: May 1988, September to October 1988, and August to September 1989. A total of 28,920 feet (8,815 m) was drilled, with an average hole depth of 272.8 feet (~83 m). The drill logs assign the drill type “RCR Track”, which the Author assumes is a reverse circulation drill, or some variant. Harris Drilling was the contractor for 1988 drilling and DSI was the contractor for 1989 drilling. No information is available regarding sampling procedures. Collar locations were surveyed in 1989 by conventional methods.

Historical Drilling Results

Historical drilling identified two gently west dipping, gold mineralized jasperoid lenses (Jasperoids A and B; Figure 9). Fairly consistent low gold grade (0.1 to 0.3 ppm Au) is distributed throughout the upper horizon (Jasperoid B) and to some extent the lower horizon (Jasperoid A). Gold grades are significantly elevated in proximity to steep, northwest striking faults, and diabase dykes. Significant historical weighted average gold grades are presented in Table 4.

The jasperoid horizons remain open down-dip along northwest striking faults and dykes to the west under shallow pediment cover, as well as to the east, as evidenced by gravity lows. Historic drill hole locations are shown in Figure 11. Recent drilling results are discussed under “Logan Resource Drilling”.

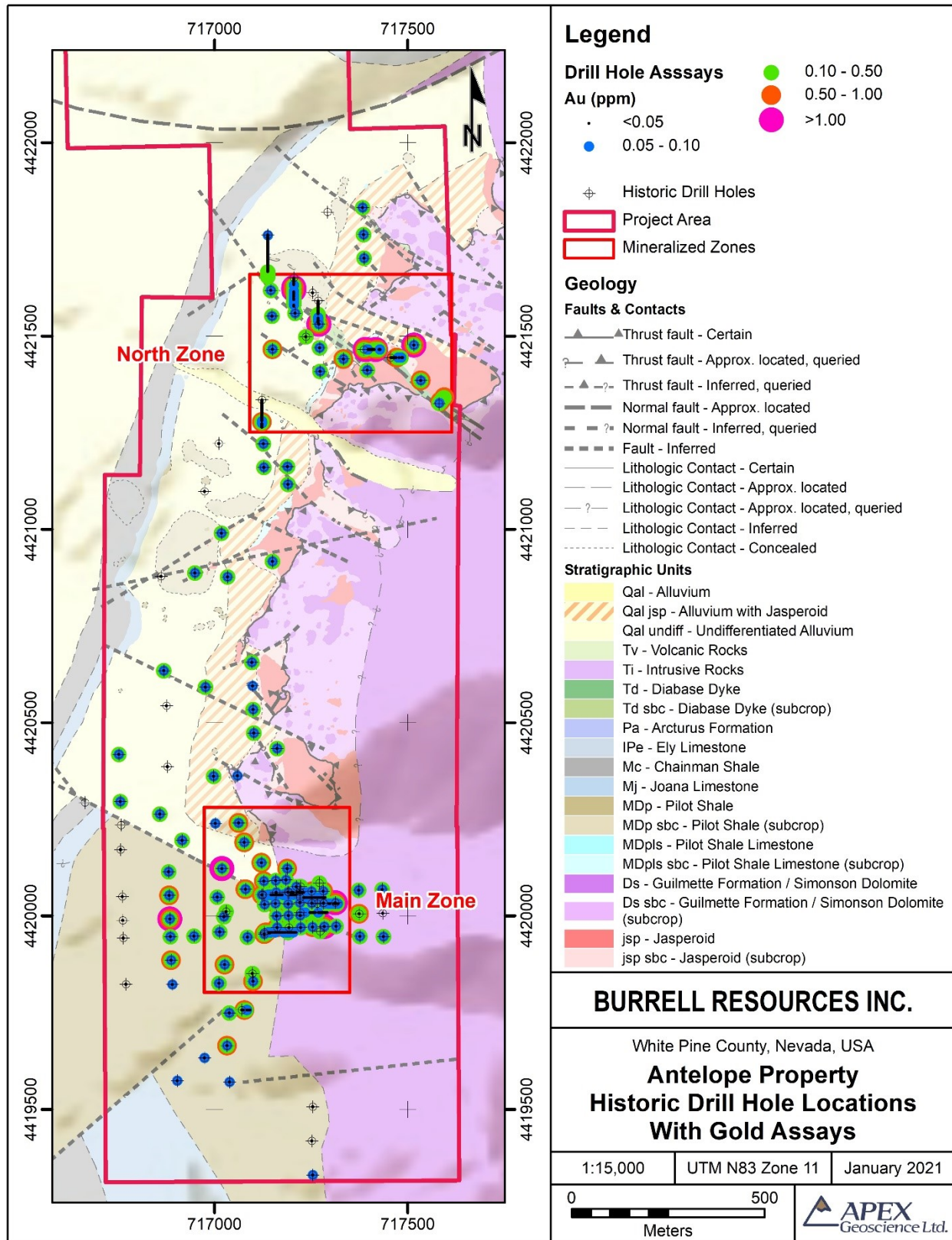
Table 4 Significant Historical Weighted Average Gold Grades

| Zone | Hole ID | From (m) | To (m) | Interval (m)* | Au (ppm) |
|----------------------------|------------------------------------|----------|--------|---------------|----------|
| Main Zone | PTR-8 | 0.00 | 7.62 | 7.62 | 0.32 |
| | | 25.91 | 50.29 | 24.38 | 0.24 |
| | PTR-32 <i>including and</i> | 0.00 | 22.86 | 22.86 | 0.70 |
| | | 3.05 | 10.67 | 7.62 | 0.85 |
| | | 16.76 | 21.34 | 4.58 | 1.13 |
| PTR-33 <i>including</i> | 0.00 | 10.67 | 10.67 | 1.29 | |
| | 0.00 | 3.05 | 3.05 | 3.61 | |
| | 18.29 | 33.53 | 15.24 | 0.50 | |
| PTR-34 | 0.00 | 3.05 | 3.05 | 0.52 | |

| | | | | | |
|----------------------|------------------|--------------|--------------|--------------|-------------|
| | PTR-35 | 0.00 | 6.10 | 6.10 | 1.30 |
| | | 16.76 | 22.86 | 6.10 | 0.62 |
| | PTR-35A | 0.00 | 12.19 | 12.19 | 3.15 |
| | <i>including</i> | <i>0.00</i> | <i>4.57</i> | <i>4.57</i> | <i>7.79</i> |
| | PTR-36 | 0.00 | 15.24 | 15.24 | 0.52 |
| | PTR-36A | 1.52 | 16.76 | 15.24 | 0.33 |
| | PTR-57 | 0.00 | 16.76 | 16.76 | 0.39 |
| | <i>including</i> | <i>3.05</i> | <i>7.62</i> | <i>4.57</i> | <i>0.80</i> |
| | PTR-59 | 4.57 | 10.67 | 6.10 | 0.42 |
| | PTR-60 | 0.00 | 15.24 | 15.24 | 0.30 |
| | PTR-62 | 0.00 | 9.14 | 9.14 | 1.29 |
| | PTR-67 | 25.91 | 32.00 | 6.09 | 0.47 |
| | PTR-68 | 28.96 | 38.10 | 9.14 | 0.74 |
| | <i>including</i> | <i>32.00</i> | <i>36.58</i> | <i>4.58</i> | <i>1.03</i> |
| West of Main Zone | PTR-90 | 48.77 | 65.53 | 16.76 | 0.52 |
| | <i>including</i> | <i>59.44</i> | <i>64.01</i> | <i>4.57</i> | <i>1.12</i> |
| North Zone | PTR-97 | 3.05 | 30.48 | 27.43 | 0.37 |
| | PTR-98 | 0.00 | 12.19 | 12.19 | 0.53 |
| | PTR-103 | 1.52 | 12.19 | 10.67 | 0.94 |
| | <i>including</i> | <i>4.57</i> | <i>9.14</i> | <i>4.57</i> | <i>1.46</i> |
| | | 42.67 | 53.34 | 10.67 | 0.72 |
| | <i>including</i> | <i>42.67</i> | <i>44.20</i> | <i>1.53</i> | <i>2.56</i> |
| | PTR-106 | 0.00 | 12.19 | 12.19 | 1.88 |
| | <i>including</i> | <i>6.10</i> | <i>10.67</i> | <i>4.57</i> | <i>3.41</i> |
| | PTR-129 | 27.43 | 47.24 | 19.81 | 0.91 |
| | <i>including</i> | <i>35.05</i> | <i>45.72</i> | <i>10.67</i> | <i>1.31</i> |

*True thickness is interpreted to be approximately 90-95% of drilled width for most holes.

Figure 11 Historic Drill Hole Locations with Gold Assays (Projected to Plan)



Logan Resources Drilling

During June 2017, Logan Resources, under its option agreement with Pilot Gold, completed a reverse circulation (RC) drilling program at the Antelope Property. The program comprised four drill holes, totaling approximately 649 metres (Table 5; Figure 12). The 2017 program tested historically reported gold grades in the Main and North zones as well as mineralization peripheral to the Main Zone. The total cost to complete the 2017 drilling was \$185,241.

Table 5 2017 Drill Hole Summary

| Hole ID | Easting | Northing | Elevation (m) | Azimuth | Dip | Depth (m) |
|---------|---------|----------|---------------|---------|-----|-----------|
| AN1701 | 717274 | 4421530 | 2270 | 0 | -90 | 202.69 |
| AN1702 | 716925 | 4420241 | 2271 | 0 | -90 | 196.60 |
| AN1703 | 717186 | 4420059 | 2311 | 0 | -90 | 99.06 |
| AN1704 | 717438 | 4419942 | 2371 | 0 | -90 | 150.88 |
| Total | | | | | | 649.23 |

Drill samples were collected on 5 foot intervals using a reverse circulation drill rig, following standard industry practices. Geology was recorded digitally in excel spreadsheet templates with separate tabs for lithology, alteration and mineralization, structures, and veins. Drill collar UTM locations were surveyed using a handheld GPS, and elevations were derived from a USGS 10 metre DEM. Down-hole surveys were not completed; however, little deviation would be expected given the short hole lengths.

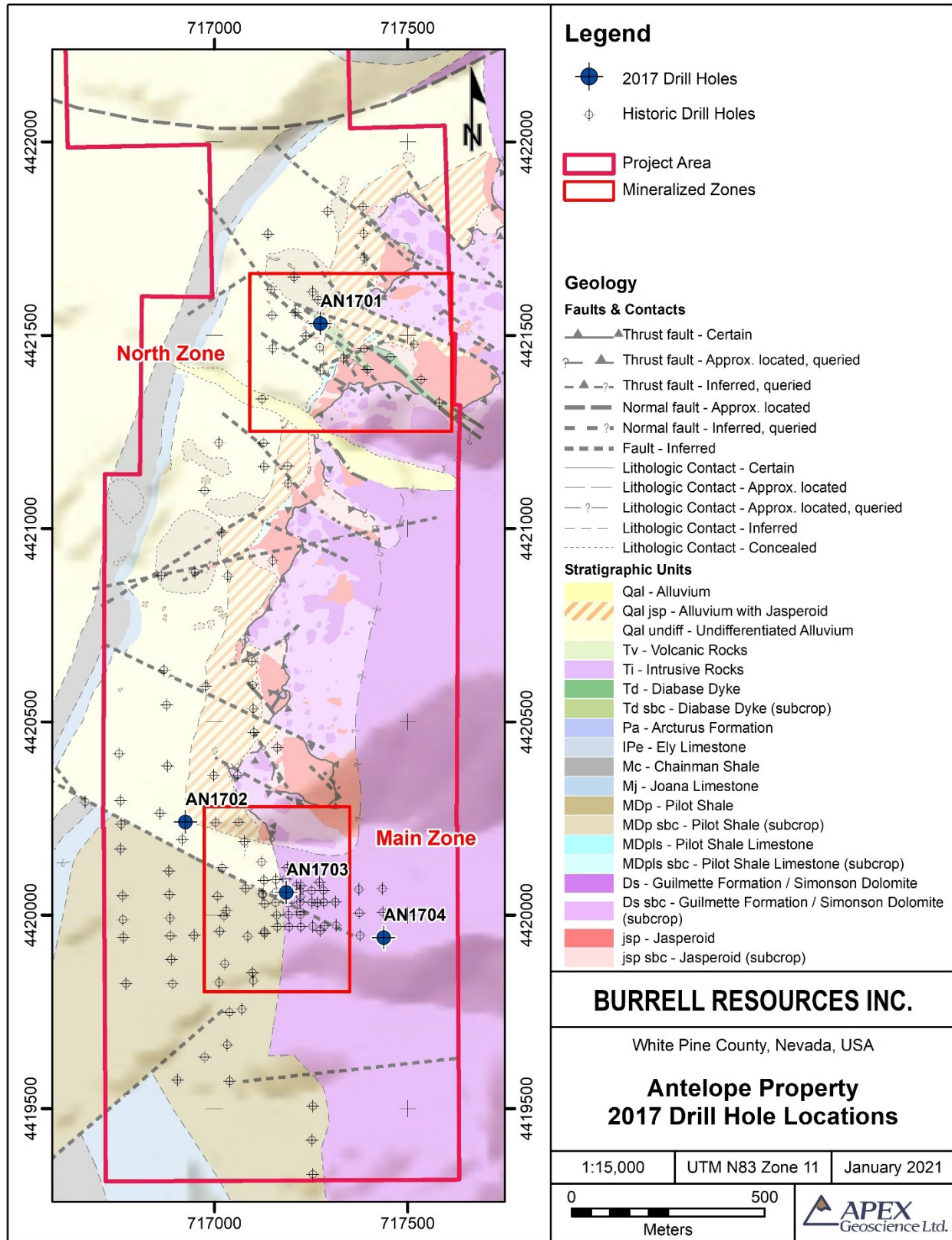
Significant historical weighted average gold grades are presented in Table 6. Cross-sections showing geology and gold assays for each 2017 drill hole are presented in Figure 13 to 16.

Table 6 Significant 2017 Weighted Average Gold Grades

| Hole ID | From (m) | To (m) | Interval (m) | Au (ppm) |
|------------------|----------|--------|--------------|----------|
| AN1701 | 15.24 | 33.53 | 18.29 | 0.29 |
| <i>including</i> | 19.81 | 22.86 | 3.05 | 1.12 |
| AN1702 | 30.48 | 32.00 | 1.52 | 0.12 |
| AN1703 | 0.00 | 10.67 | 10.67 | 1.59 |
| <i>including</i> | 0.00 | 4.57 | 4.57 | 3.33 |
| | 74.68 | 86.87 | 12.19 | 0.15 |
| AN1704 | 7.62 | 15.24 | 7.62 | 0.26 |
| <i>including</i> | 10.67 | 15.24 | 4.57 | 0.34 |

*True thickness is interpreted to be approximately 90-95% of drilled width.

Figure 12 2017 Drill Hole Locations with Geology



The 2017 drill logs do not distinguish between stratigraphic units of the same lithology (e.g., Dolomite A versus Dolomite B). The Author has attempted to interpret which units are intersected in each hole based on the lithology and alteration drill logs, as well as historical cross sections.

Drill hole AN1701 was completed as a re-drill and extension of historical hole PTR-106 in the North Zone (Figure 13). PTR-106 was drilled to 76.2 m and AN1701 was drilled to 196.6 m, extending deeper into the Dolomite A (Dg) unit. AN1701 collared into alluvium and passed into argillized intrusive rocks (diabase dyke) at 1.52 m. Mixed intrusive rocks and jasperoid were intersected at 15.24 m, transitioning completely into jasperoid (Jasperoid A) at 22.86 m. This contrasts with PTR-106, which collared directly into jasperoid. Both holes were drilled adjacent to the southwest margin of the large, steeply northeast dipping diabase dyke in the North Zone; however, AN1701 was collared slightly further east into the diabase unit. Gold mineralization in both holes is most concentrated near the dyke-jasperoid contact and is contained primarily within jasperoid. Mineralization in PTR-106 starts at surface, nearest the dyke contact. Similarly, anomalous gold mineralization in AN1701 starts at 15.24 m, where jasperoid is first observed.

At 47.24 m, hole AN1701 exited the jasperoid into siltstone (MDps?). This unit is not logged in PTR-106. At 54.86 m, AN1701 intersected dolomite (Dolomite A), and terminated in this unit. Localized weak gold mineralization was observed in the dolomite.

Drill hole AN1702 was drilled approximately 300 metres northwest of the Main Zone in an area of sparse historical drilling, adjacent to a mapped jasperoid zone (Figure 14). AN1702 collared into alluvium and passed into argillized intrusive rocks (diabase dyke) at 4.57 m. The diabase returned strong pathfinder arsenic and antimony values but failed to return any significant gold grades. Weakly decarbonized carbonaceous siltstone (MDps?) was intersected between 51.82 m and 67.06 m, with anomalous arsenic values observed in the upper 4.5 m. No significant gold grades were encountered in the siltstone or the underlying units. Between 67.06 m and 173.76 m, alternating siltstone and limestone were logged. From 173.6 m to the end of hole was dolomite (Dolomite A?).

Drill hole AN1703 was completed as a re-drill of historical hole PTR-35A in the Main Zone (Figure 15). Drill logs and assay results for the two holes are similar. Both holes collared directly into gold-mineralized jasperoid (Jasperoid B). Between 10.67 m and 15.24 m, AN1703 intersected siltstone with a void from 12.19 m to 13.72 m. The analogous zone in PTR-35A is logged as void, suggesting poor recovery through the softer siltstone units. Following the siltstone was dolomite (Dolomite B) to 41.15 m, limestone (Limestone A) to 57.91 m and a second siltstone unit to 86.87 m. From 86.87 m to the end of hole was dolomite. Jasperoid A was not logged in AN1703. Lower siltstone and jasperoid (Jasperoid A) units were intersected in PTR-35A, correlating with the lower siltstone in AN1703. Weakly anomalous gold was returned through the lower siltstone in AN1703, and through the lower siltstone/jasperoid in PTR035A.

Drill hole AN1704 was drilled approximately 200 metres east-southeast of the Main Zone, well into the mapped Guilmette Formation dolomites (Figure 16). It was drilled along the projection of the northwest striking fault zone running through the Main Zone, adjacent to historical hole PTR-80. Dolomites (Dolomite B) were logged from surface to 51.82 m, with strong silicification logged between 7.62 m and 15.24 m, roughly correlating with a jasperoid (Jasperoid B?) zone logged in PTR-80. Weak gold mineralization and anomalous arsenic values were returned through the silicified zone. The hole intersected argillized and pyrite-arsenopyrite mineralized intrusive rocks (diabase dyke) between 51.82 m and 86.86 m. No significant gold values were returned from the dyke; however, a strong arsenic anomaly was observed. The remainder of the hole was logged as dolomite (Dolomite A).

The 2017 Logan Resources drilling verified the presence of both low-grade strata-bound gold mineralization in jasperoid horizons, as well as higher grade structurally controlled mineralization concentrated along mainly northwest-striking faults and dyke margins. Gold mineralization is primarily associated with silicification (jasperoid), and to a lesser extent argillization (dykes) and local decarbonization. Jasperoid mineralization units appears to be stronger in the upper Jasperoid B unit.

A good correlation is also observed between gold and anomalous arsenic and antimony values in jasperoids and on structural margins. Zones of elevated arsenic and/or antimony also exist in absence of significant gold mineralization, particularly through dyke units. The presence of pathfinder elements in these dykes suggest that they occupy the same structural conduits as the hydrothermal mineralizing fluids.

Figure 13 AN1701 Cross Section

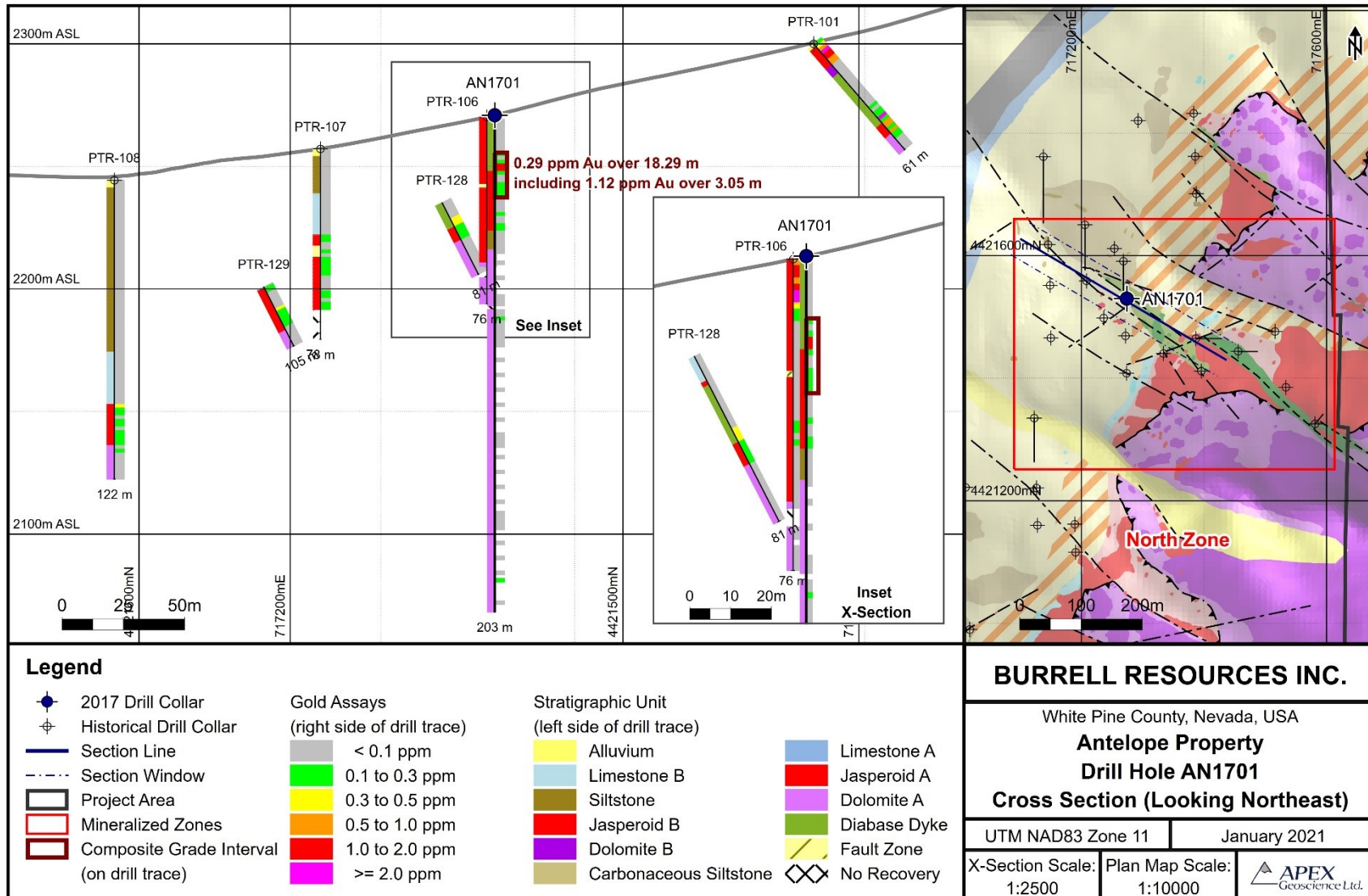


Figure 14 AN1702 Cross Section

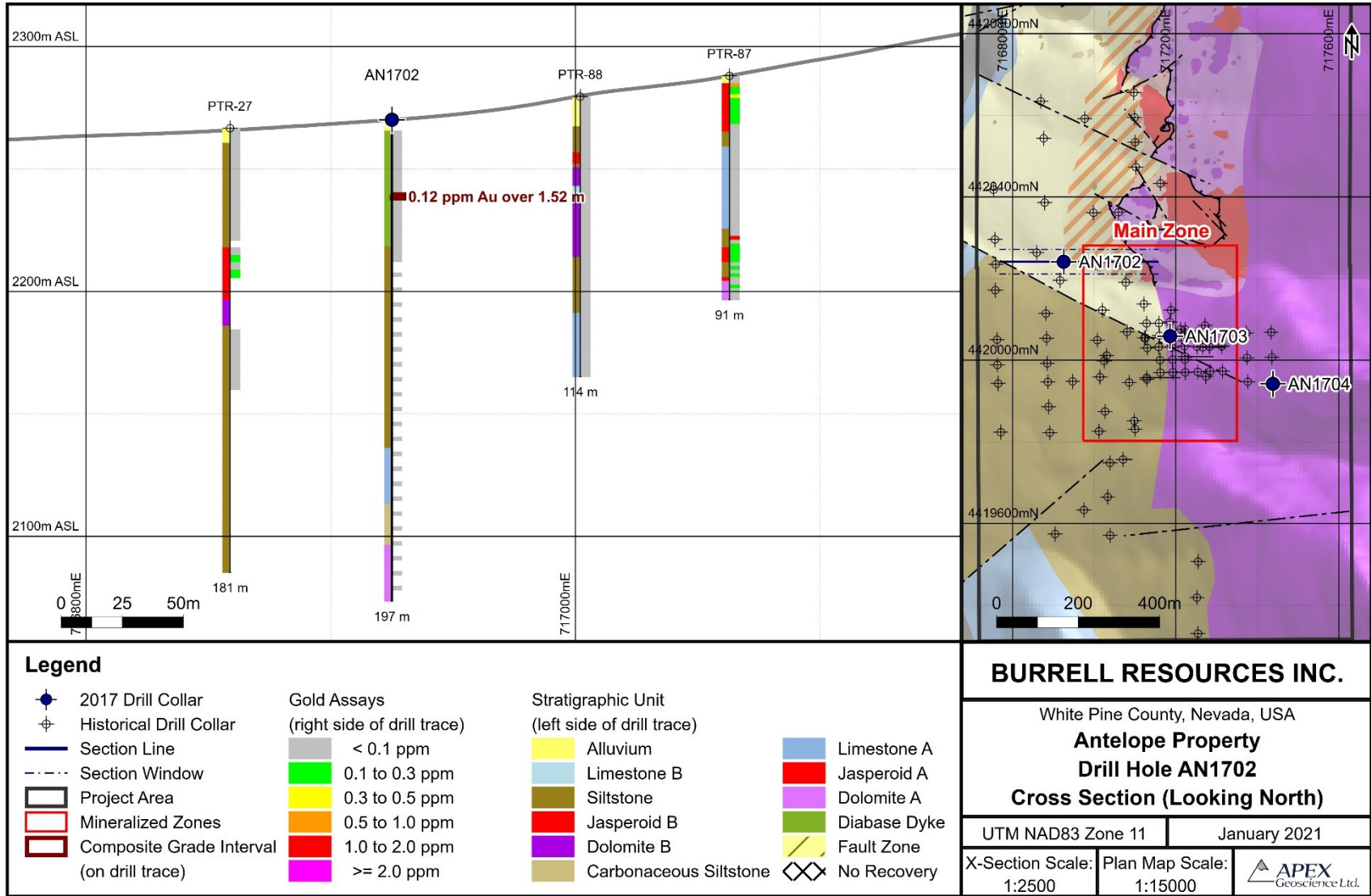


Figure 15 AN1703 Cross Section

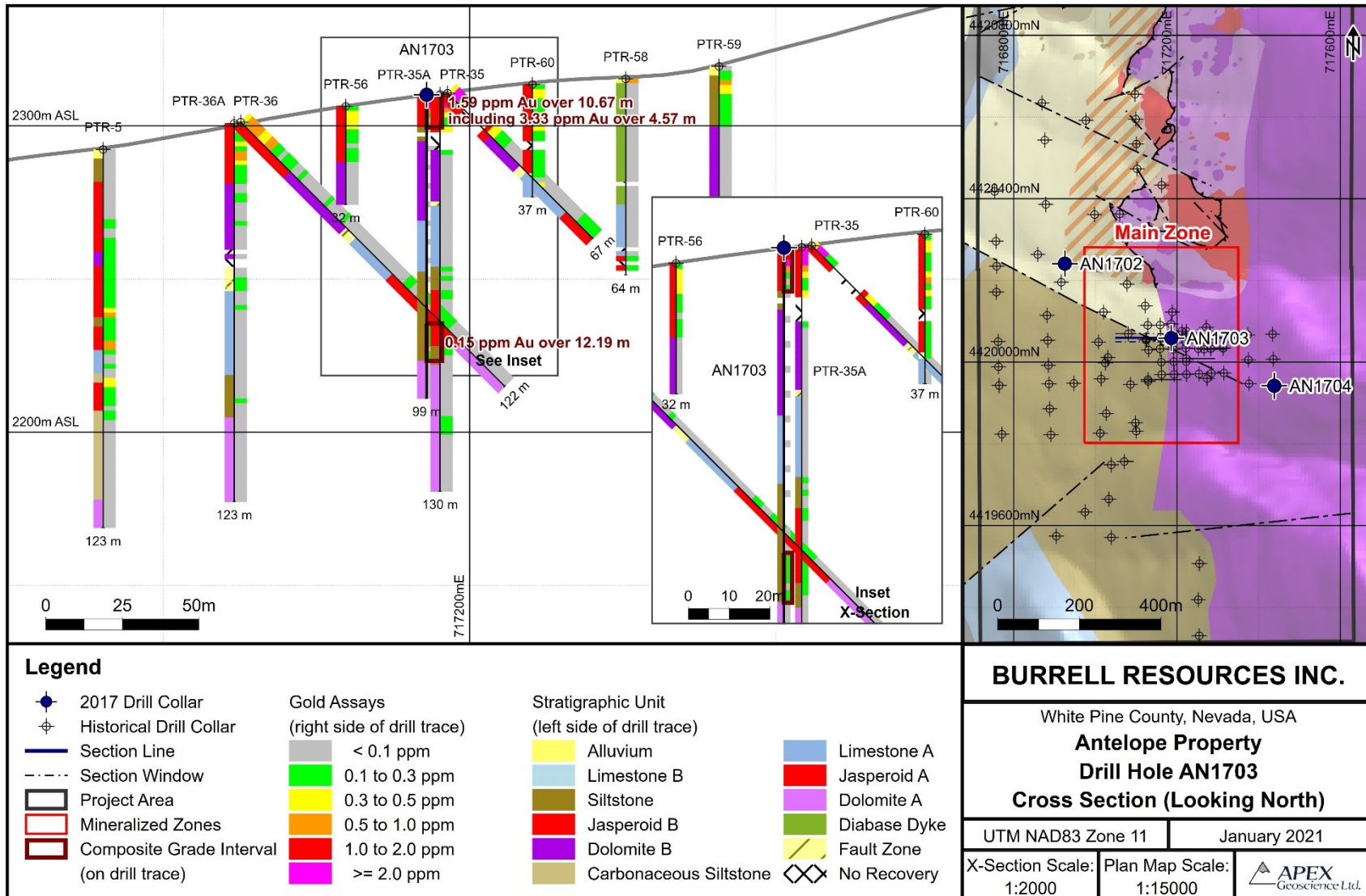
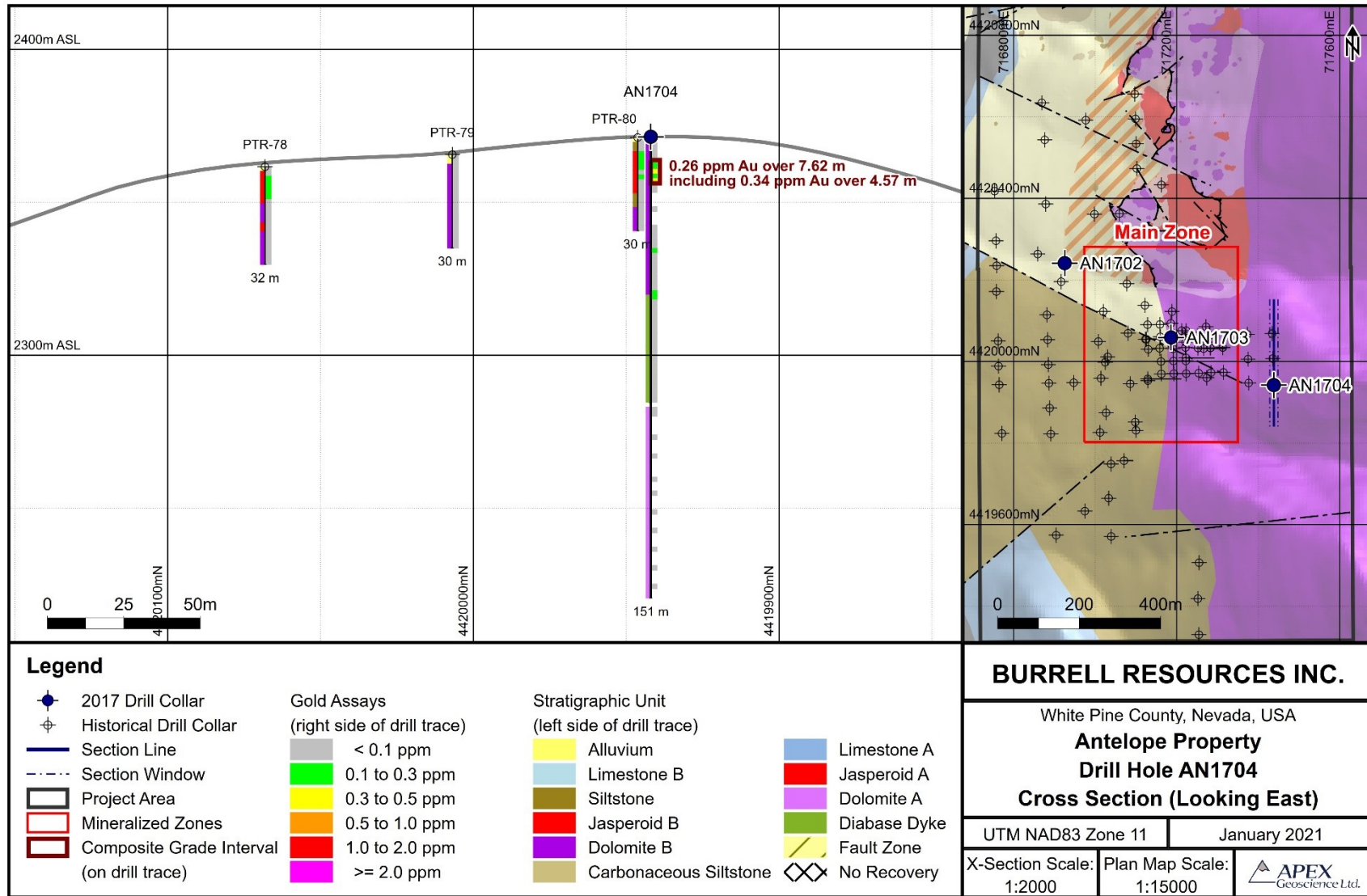


Figure 16 AN1704 Cross Section



Sample Preparation, Analyses and Security

Surface Sampling

Phelps Dodge

Phelps Dodge rock sample data were acquired in digital format, including copies of the original paper sample description sheets which include sample locations, geological descriptions, and assay values. No information is available regarding sample preparation or analytical method. There is no evidence of insertion of QA-QC samples.

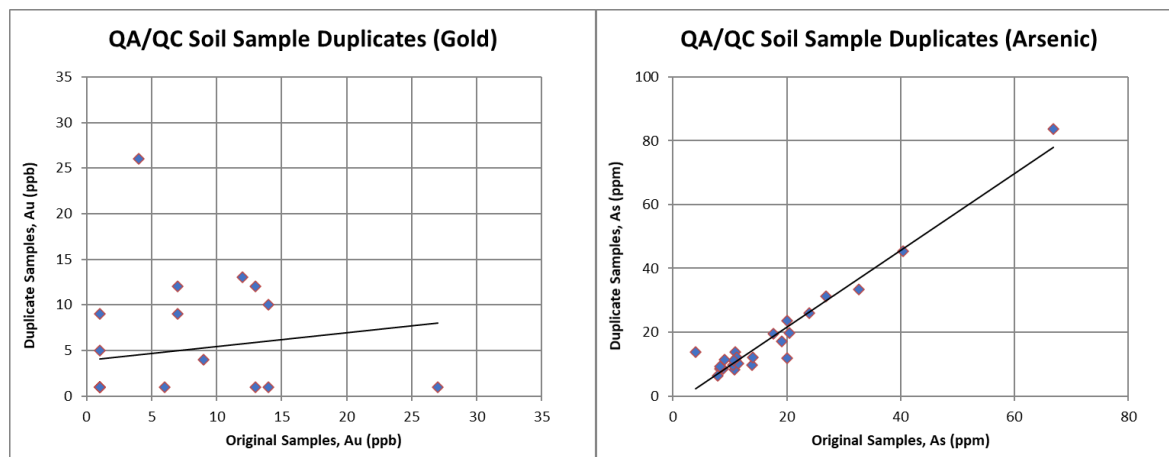
Dumont Nickel

Dumont Nickel soil sample data were acquired in digital format, including copies of the original laboratory certificates in excel format. No information is available regarding sample preparation methods. The samples were analyzed for gold and a suite of 48 elements.

Gold, along with 29 other elements, were analyzed by instrumental neutron activation analysis. (“INAA”). An additional 15 elements were analyzed by total digestion ICP (“TD-ICP”). Ag, Mo, Ni and Zn were analyzed by both methods. For INAA analysis, samples are encapsulated and irradiated in a nuclear reactor. After a suitable decay, samples are measured for the emitted gamma ray fingerprint.

Field duplicate samples were collected at a rate of 1 per 20 samples. Original versus duplicate gold and arsenic values are plotted in Figure 17. The repeatability of gold soil duplicates is variable, possibly due to nugget effect; however, gold in soil anomalies are spatially coincident with zones of known mineralization, jasperoid and favorable structures on the Antelope Property. Arsenic values show good overall repeatability. It appears that no standards or blanks were inserted by Dumont Nickel personnel; however, standards, blanks and duplicates were inserted by the laboratory.

Figure 17 Dumont Nickel QA-QC Soil Sample Duplicate Plots for Gold and Arsenic



Pilot Gold

Pilot Gold rock sample data were acquired in digital format, including copies of the laboratory certificates. Smith (2015) outlined the following protocol for Pilot Gold rock chip samples: Sample locations were recorded in the field using a handheld GPS unit, and sample descriptions were recorded using ArcMap software. Samples were sent to ALS Global’s (“ALS”) Elko, Nevada laboratory for preparation of pulps using standard methods. Pulps were forwarded to ALS in Reno, Nevada and Vancouver, British Columbia for gold analysis by 30 gram fire assay using aqua regia

digest with atomic absorption spectroscopy (AAS) finish (ALS method Au-AA23), and 41 element geochemistry using aqua regia digest with inductively coupled plasma mass spectrometry (ICP-MS) finish (ALS method ME-MS41). No standards, blanks or duplicate samples were inserted by Pilot Gold.

ALS is an ISO 9001:2015 certified and ISO/IEC 17025:2005 accredited geoanalytical laboratory and is independent of Burrell and the Author.

Drilling

Amselco

Amselco drill samples were collected on 5 foot intervals using a rotary percussion drill rig. No information is available regarding how samples were split or what method was used to catch samples. It is assumed that industry standard practices were followed. Amselco drill data were acquired in digital format, including copies of the original paper logs. The logs include geological descriptions, gold assays, remarks, and graphical logs at a scale of 1 inch = 50 feet. Information in the drill log header includes hole number, hole direction, hole depth, local grid coordinates, project name/location, drilling date, logging date and logger.

The assay lab used for the Amselco drilling is not known and laboratory assay certificates are not available. Notation on the drill logs indicate that gold was analyzed by fire assay with AAS finish. Gold assays are reported in parts per million (ppm) and ounces per short ton (opt). There is no evidence that standards, blanks, or duplicate samples were inserted by Amselco.

Phelps Dodge

Phelps Dodge drill samples were collected on 5 foot intervals using a reverse circulation drill rig. No information is available regarding how samples were split or what method was used to catch samples. It is assumed that industry standard practices were followed. Phelps Dodge drill data were acquired in digital format, including copies of the original paper logs. Copies of original laboratory assay reports (certificates) are available for most Phelps Dodge holes. The original handwritten logs include fields for sample numbers and depths, comments, lithology, alteration, quartz veining, oxide, sulphide, and assay value fields for Au, Ag, As, Sb and Hg. Computer generated logs with assay histograms, graphical logs, and geological summaries are appended to the handwritten logs. Information in the drill log header, includes hole number, hole direction, hole depth, coordinates, project name/location, drill type, drill contractor, drilling date and logger.

The Phelps Dodge drill samples were analyzed by Bondar-Clegg Inc. (“Bondar-Clegg”) of Sparks, Nevada. Gold was analyzed by 30-gram fire assay, reported in parts per billion (ppb). The samples were also analyzed for Ag, As, Mo, Sb and Hg. No information is available regarding analytical method for these elements. There is no evidence that standards, blanks, or duplicate samples were inserted by Phelps Dodge.

The Phelps Dodge drilling was done prior to the implementation of ISO/IEC accreditation standards. At the time, Bondar-Clegg was a major international assay laboratory used by many exploration companies, and the Author believes that the results reported are reliable.

Logan Resources

Logan Resources drill samples were collected on 5-foot intervals using a reverse circulation drill rig, following standard industry practices. Original drill logs and assay certificates were reviewed by the Author. Geology was recorded digitally in excel spreadsheet templates with separate tabs for lithology, alteration and mineralization, structures, and veins. Each tab has fields for from-to plus

numerous fields for qualitative and quantitative entries. Graphical strip logs were also produced, showing lithology, alteration, mineralization, in addition to histograms for Au, Ag and As.

The Logan Resources drill samples were sent to ALS Laboratories in Elko, Nevada for preparation of pulps using standard methods. Pulps were forwarded to analytical laboratories within the ALS network (Reno, Nevada and Vancouver, British Columbia) for gold analysis by 30-gram fire assay using aqua regia digest with AAS finish (ALS method Au-AA23), and 33 element geochemistry using 4 acid digest with ICP-AES finish (ALS method ME-ICP61). Samples that returned gold assay values greater than 0.2 ppm Au were subject to cyanide leach analysis with AAS finish (ALS method Au-AA13). Samples that returned gold assay values greater than 5.0 ppm Au were additionally subject to a second 30-gram fire assay with gravimetric finish (ALS method Au-GRA21). ALS is an ISO 9001:2015 certified and ISO/IEC 17025:2005 accredited geoanalytical laboratory and is independent of Burrell and the Author.

Internal QA-QC procedures at ALS include routine screen tests to verify crushing efficiency, sample preparation duplicates (every 50 samples) and analytical quality controls (blanks, standards, and duplicates). QC samples are inserted with each analytical run, with the minimum number of QC samples dependent on the rack size specific to the chosen analytical method. Results for quality control samples that fall beyond the established limits are automatically red-flagged for serious failures and yellow-flagged for borderline results. Every batch of samples is subject to a dual approval and review process, both by the individual analyst and the Department Manager, before final approval and certification. The Author has no reason to believe that there are any issues or problems with the preparation or analyzing procedures utilized by ALS.

The QA-QC measures employed by Logan Resources comprised inserting analytical standards, blanks, and duplicate samples into the sample stream at regular intervals based on hole depth. Standards were inserted at hole depths of 110, 300 and 490 feet. Blanks were inserted at hole depths of 60, 235, 430 and 615 feet. Duplicates were inserted at hole depths of 170, 360 and 550 feet. A total of 11 standards, 13 blanks, and 9 duplicates were added to the 426 reverse circulation drill chip samples collected. Of the samples collected, 6 standards, 6 blanks, 4 duplicates and 229 reverse circulation drill chip samples were analyzed.

A total of three different analytical standards were used for 2017 drilling at the Antelope Property. Each standard has an accepted gold concentration as well as known “between laboratory” standard deviations, or expected variability. QA-QC summary charts showing measured values for each analytical standard, in addition to the certified value, and the high and low values corresponding to two “between laboratory” standard deviations for gold, are presented in Figure 18.

There are two general industry criteria employed by which standards are assigned a “pass” or “reviewable” status. First, a “reviewable” standard is defined as any standard occurring anywhere in a drill hole returning greater than three standard deviations (>3SD) above or below the accepted value for an element (Au). Second, if two or more consecutive standards from the same batch return values greater than two standard deviations (>2SD) above or below the accepted value on the same side of the mean for at least one element, they are classified as “reviewable”. QA/QC samples falling outside established limits are flagged and subject to review and possibly re-analysis, along with the 10 preceding and succeeding samples.

All standards analyzed fell within two standard deviations of the certified value and were assigned a “pass” status.

Blank pulps were inserted to test for contamination during analysis. All blanks analyzed returned values below detection limits (<0.005 ppm Au). A QA-QC summary chart showing measured values for each blank (adjusted to half of detection limit as per industry standards), the analytical detection limit, and the upper acceptable cut-off value of 0.05 ppm Au, is presented in Figure 19.

Duplicate pulps were inserted to assess the overall repeatability of individual analytical values. The data show an overall good repeatability; however, there is very little data to consider. A QA-QC summary chart showing gold values for original versus duplicate samples is presented in Figure 20.

Figure 18 Logan Resources QA-QC Analytical Standard Plots for Gold

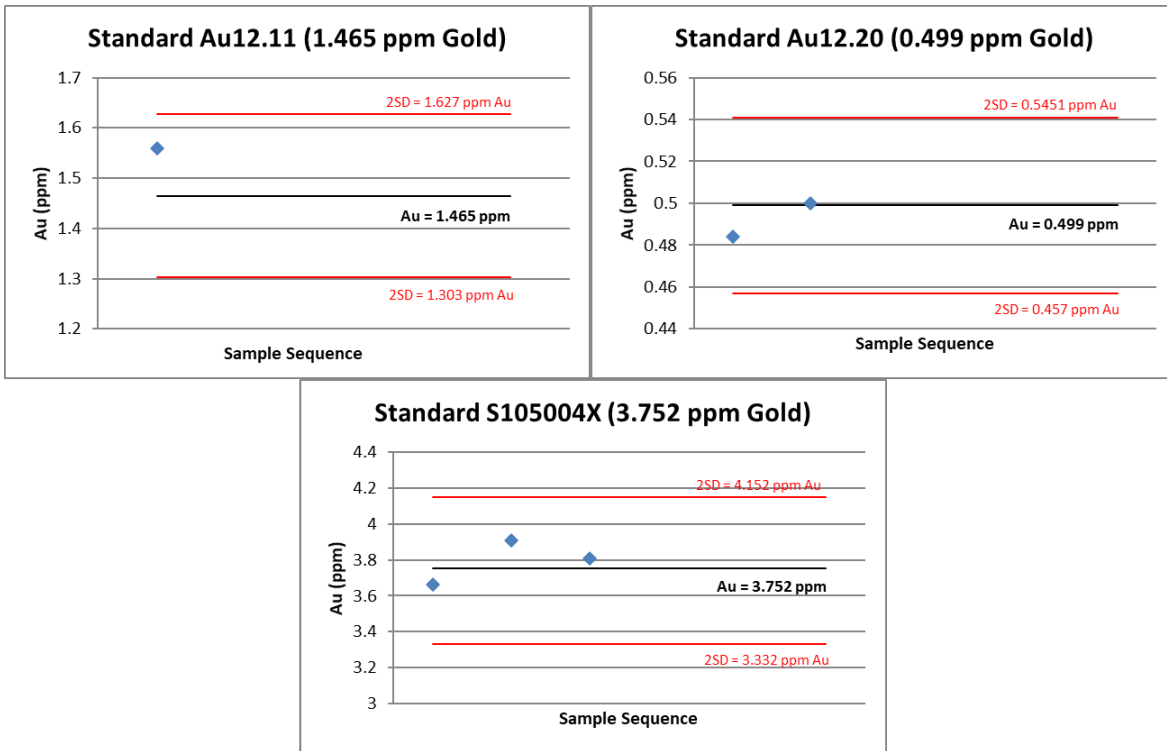


Figure 19 Logan Resources QA-QC Blank Plots for Gold

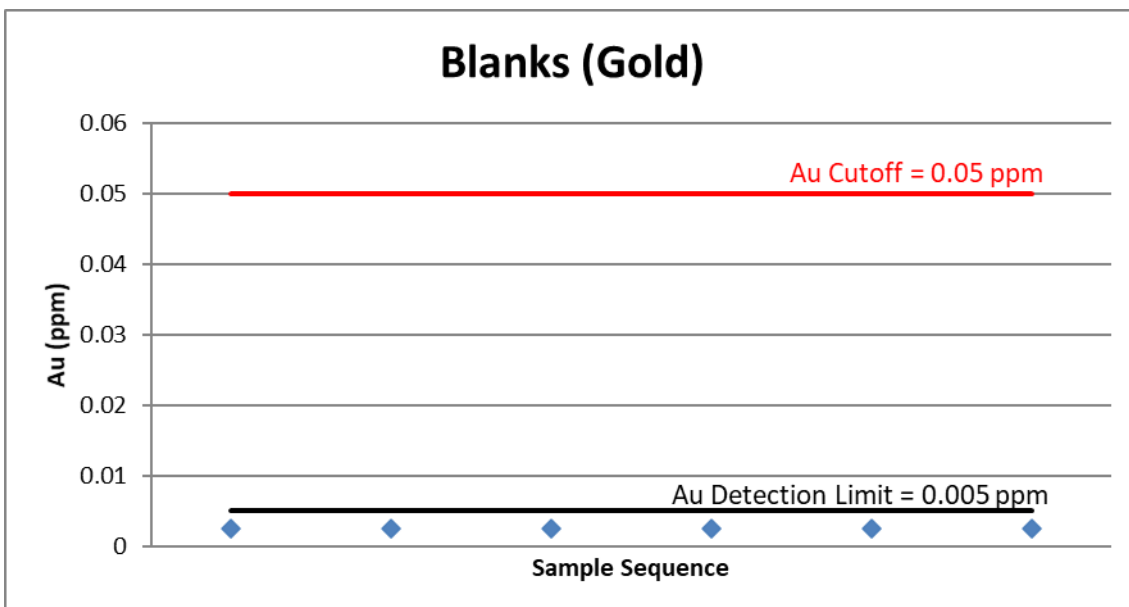
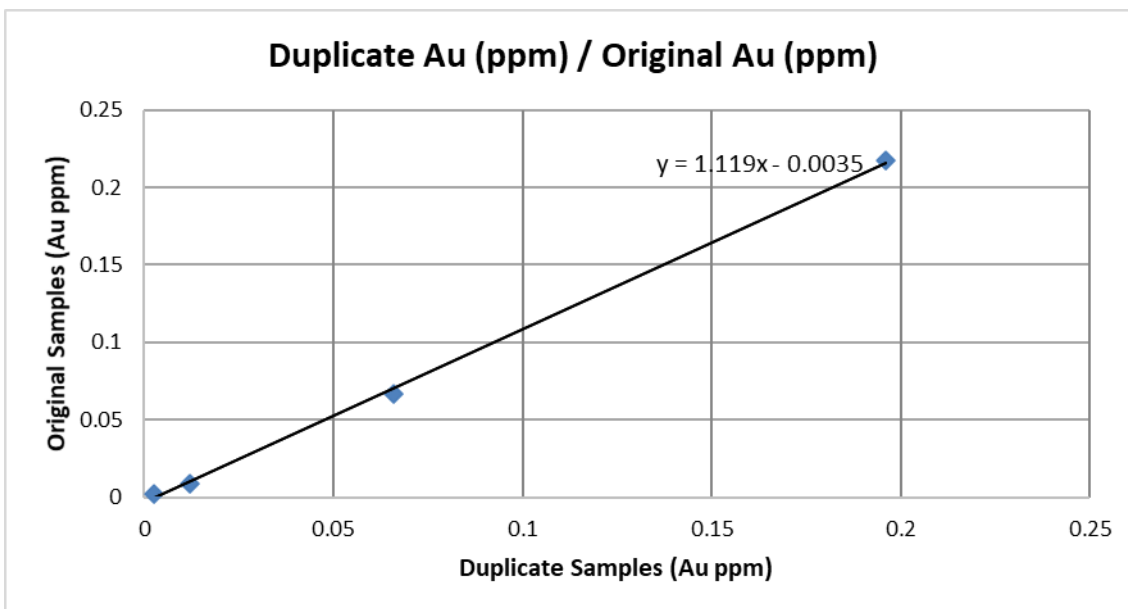


Figure 20 Logan Resources QA-QC Duplicate Sample Plots for Gold



Adequacy of Sample Preparation, Security, and Analytical Procedures

Given the circa-1980's age of the surface sampling and drilling completed by Amselco and Phelps Dodge, the lack of information with respect to sampling procedures, security, and QA-QC procedures is not unusual. The Author has no reason to doubt the results of this work, given the availability of high-quality original source data including copies of drill logs and assay certificates.

Subsequent, more modern exploration by Dumont Nickel, Pilot Gold, and Logan Resources predictably includes better documented analytical and QA-QC procedures. The analytical and QA-QC procedures used for the Dumont Nickel soil sampling and Pilot Gold rock sampling are adequate for the type of surface work, small scale of the programs, and early stage of exploration. The sample preparation, analytical and QA-QC procedures used by Logan Resources during the 2017 drilling campaign are commensurate with industry standard practices, and adequate for this stage of exploration at the Antelope Property.

Data Verification

Data Verification Procedures

The Author's data review included examining original source data including sample logs, drill logs, and laboratory certificates, and comparing this information against compiled digital datasets. Copies of original drill logs, including assays, were available for all current and historical drilling, and original laboratory certificates were available for the Logan Resources and most of the Phelps Dodge drilling. Historical maps and original Phelps Dodge geological cross sections were also reviewed to assess the accuracy of digital geology data.

There were no significant differences with respect to the Company's databases and the archived logs and laboratory certificates.

Author's Site Inspection

The Author of the Antelope Report, Mr. Kristopher J. Raffle, P.Ge., Principal and Consultant of APEX, a Qualified Person, visited the Antelope Property on November 8, 2020. During the site visit, the Author collected surface rock grab samples and completed traverses at the Main Zone and North Zone to verify historically reported mineralization and drill collar locations. Additionally, three of the 2017 Logan Resources drill sites were confirmed. Gold and pathfinder element analytical results from the Author's sampling is presented in Table 7. Sample locations are presented in Figure 21.

Table 7 Authors' Independent Rock Grab Verification Samples

| Sample ID | Easting | Northing | Au (ppm) | As (ppm) | Hg (ppm) | Sb (ppm) | Tl (ppm) |
|-----------|---------|----------|----------|----------|----------|----------|----------|
| 20KRP001 | 717188 | 4420050 | 0.455 | 165 | 2.32 | 30.2 | 1.88 |
| 20KRP002 | 717286 | 4421533 | 0.007 | 958 | 8.87 | 32.4 | 2.10 |
| 20KRP003 | 717273 | 4421520 | 0.361 | 457 | 1.82 | 2770 | 2.79 |
| 20KRP004 | 717564 | 4421327 | 0.929 | 545 | 2.12 | 43.2 | 1.55 |

The Author's samples were submitted to ALS Vancouver for standard preparation and analysis by 30 gram fire assay using aqua regia digest with AAS finish (ALS method Au-AA23) and 41 element geochemistry using aqua regia digest with inductively coupled plasma mass spectrometry (ICP-MS) finish (ALS method ME-MS41). ALS is an ISO 9001:2015 certified and ISO/IEC 17025:2005 accredited geanalytical laboratory and is independent of Burrell and the Author.

Results from the Author's samples verify the presence of gold mineralization that is spatially coincident with historical mineralized surface rock and soil samples, and near-surface mineralized drill intercepts in the Main and North zones. Rock types and alteration observed during the traverses, including silicification (jasperoid), oxidation, and argillization, are consistent with historical mapping, sampling, and drilling.

Sample 20KRP001 was collected from outcropping jasperoid at the Main Zone in the vicinity of historical drill holes PTR-35 and PTR-35a, and Logan Resources drill hole AN1703. It returned 0.455 ppm Au, similar to near surface jasperoid grades seen in the adjacent drill holes. Sample 20KRP002 and 20KRP003 were collected at the North Zone in the vicinity of historical drill hole PTR-106 and Logan Resources drill hole AN1701. 20KRP002 was collected from a pervasively clay-silica altered (argillized) dyke, coincident with a mapped diabase dyke. The sample did not return a significant gold result; however, elevated arsenic was reported, similar to previous dyke samples. 20KRP003 was collected from a light grey brecciated limestone, returning an anomalous gold result of 0.361 ppm Au, along with elevated arsenic and antimony values. Sample 20KRP004 was collected from outcropping jasperoid in the vicinity of historical drill hole PTR-97. It returned a value of 0.929 ppm Au, similar to grades reported in nearby surface rock samples.

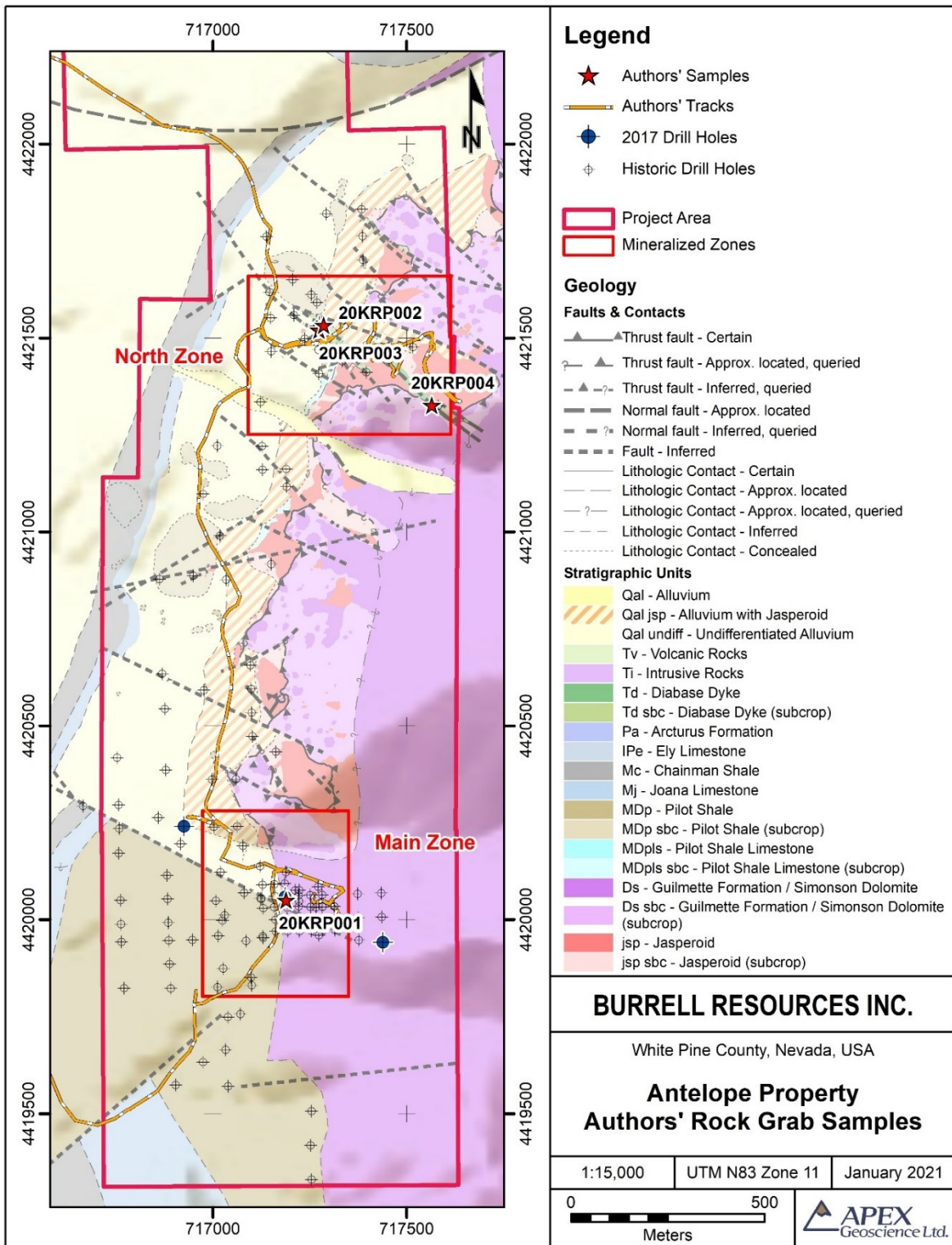
Validation Limitations

Based on the traverses, verification sampling, and data review, the Antelope Report Author has reported no reason to doubt the reported exploration results.

Adequacy of the Data

The Author has reviewed the adequacy of the exploration information and the Property's visual, physical, and geological characteristics. No significant issues or inconsistencies were discovered that would call into question the validity of the data. In the Author's opinion, the data is adequate for this stage of exploration at the Antelope Project and is suitable for use in the Antelope Report.

Figure 21 Antelope Report Author's Independent Rock Grab Verification Sample Locations



MINERAL PROCESSING AND METALLURGICAL TESTING

As of the effective date of the Antelope Report, no mineral processing or metallurgical testing has been completed for the Antelope Property.

MINERAL RESOURCE ESTIMATES

As of the effective date of the Antelope Report, no current mineral resource estimate has been completed for the Antelope Property.

ADJACENT PROPERTIES

There are no mineral properties of significance immediately adjacent to the Antelope Property. The closest major property is the Kinsley Project, located approximately 30 km north-northeast of Antelope.

PROPOSED EXPLORATION AND RECOMMENDATIONS

Results and Interpretations

The Antelope Property has been subject to several pulses of exploration work since the early 1980s. Historical surface sampling identified significant anomalous gold in rock and soil samples along an approximately 2,500 metre north-south corridor. Surface mineralization was primarily related to jasperoid exposure, with local concentrations around mainly northwest striking structures. Historical drilling defined two gently west dipping, gold mineralized jasperoid lenses in a repetitive sequence of limestone, siltstone and dolomite believed to be at or near the top of the Devonian Guilmette Formation or at the base of the Mississippian-Devonian Pilot Shale. The sequence may be repeated due to one or more low angle thrust faults. The property-scale stratigraphy is not fully understood and will require additional investigation to resolve.

Antelope remains an underexplored, early-stage project with potential for advancement. The Antelope Property is underlain by several favorable geological units including the regionally prospective Pilot Shale – Guilmette Formation and Chainman Shale – Joana Limestone sequences, which are known to host gold mineralization. At Antelope, the Pilot Shale – Guilmette Formation contact zone hosts the known gold mineralization. To date, the Chainman Shale and Joana Limestone horizons outcropping along the west side of the Antelope Property have not been tested.

The jasperoid horizons at Antelope remain open down dip under cover on the west side of the Antelope Property. Results from the Pilot Gold ground gravity survey suggest that the pediment cover is relatively shallow along the basin edge for at least one kilometre, and there are numerous relatively young northwest extending west under cover, including extensions of the mapped structures associated with mineralization at the Main and North zones. Gravity lows along the tops of ridges within the mapped dolomites (Dg/Ds) east of drilling could represent more favorable, younger stratigraphic units (MDp?) at shallower depth or zones of structurally controlled decalcification.

Stratigraphic targets on the Antelope Property west of the existing drilling include the mapped Chainman Shale – Joana Limestone contact zone, as well as the buried Pilot Shale – Guilmette Formation contact zone and jasperoid horizons, which host known mineralization at Antelope. From the gravity data, Wright (2012) also interprets the Acturus Formation (Pa) and Ely Limestone (IPe) clastic/carbonate contact at depth, which could represent a drill target along structural zones east of the existing drilling where the strata are shallower. Drill testing these zones should concentrate

around west to northwest trending structures identified by the gravity survey. The gravity lows to the east also represent viable drill targets.

Risks and Uncertainties

The Antelope Property is subject to the typical external risks that apply to all mining projects, such as change in metal prices, availability of investment capital, changes in government regulations, community engagement, and general environmental concerns. The three latter points are mitigated to a certain extent by jurisdiction. Nevada is a mining friendly state with well-established mining law and permitting processes.

There is no guarantee that further diamond drilling will result in the discovery of additional gold mineralization, definition of a mineral resource, or an economic mineral deposit. However, in the Author's opinion there are no significant risks or uncertainties that could reasonably be expected to affect the reliability or confidence in the currently available exploration information with respect to the Antelope Property.

Recommendations

Based on results to date, further work is warranted at the Antelope Property. A five hole, approximately 1,000 metre reverse circulation drill program is recommended to test for mineralization down-dip in the west of the Antelope Property and at depth east of the existing drilling. The total cost to complete the program is \$225,000.00 (Table 8).

Table 8 Antelope Report Author's Independent Rock Grab Verification Samples

| Budget Item | Estimated Cost (CAD) |
|--|-----------------------------|
| RC Drilling (1,000 metres @ \$100/metre) | \$100,000 |
| Dirt Work (bulldozer & excavator) | \$15,000 |
| Fuel (gas & diesel) | \$10,000 |
| Salaries – Geologists, Geotechs & Office Support | \$25,000 |
| Rentals & Supplies | \$20,000 |
| Flights, Accommodations & Meals | \$10,000 |
| Analytical (Au Fire Assay & Multi-element ICP) | \$45,000 |
| Total Cost, Excluding GST | \$225,000 |

SCHEDULE "B"

AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

(See attached)

Financial Statements of

BURRELL RESOURCES INC.

For the year ended December 31, 2020 and the period from incorporation on December
17, 2019 to December 31, 2019
Expressed in Canadian Dollars

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Burrell Resources Inc.

Opinion

We have audited the accompanying financial statements of Burrell Resources Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2020 and 2019, and the statements of operations and comprehensive loss, changes in shareholders' equity, and cash flows for the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019, in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained 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 of the financial statements, which indicates that the Company's total deficit was \$15,039 as of December 31, 2020. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

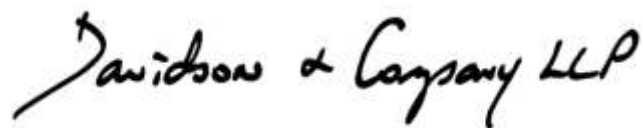
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

May 14, 2021

BURRELL RESOURCES INC.
Statements of Financial Position
(Expressed in Canadian dollars)
As at December 31,

| | 2020 | 2019 |
|---|----------------|---------------|
| | \$ | \$ |
| Assets | | |
| Current assets | | |
| Cash | 162,353 | 18,498 |
| Prepays | 6,012 | - |
| Sales tax receivable | 510 | 55 |
| | <u>168,875</u> | <u>18,553</u> |
| Non-current assets | | |
| Exploration and evaluation assets (Note 4) | 37,320 | - |
| Total Assets | <u>206,195</u> | <u>18,553</u> |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | 11,394 | 1,619 |
| | <u>11,394</u> | <u>1,619</u> |
| Shareholders' Equity | | |
| Capital stock (Note 6) | 209,840 | 18,500 |
| Deficit | (15,039) | (1,566) |
| | <u>194,801</u> | <u>16,934</u> |
| Total Liabilities and Shareholders' Equity | <u>206,195</u> | <u>18,553</u> |

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
SUBSEQUENT EVENT (Note 11)

Approved and authorized by the Board for issuance on May 14, 2021:

"N. Ross Wilmot"

N. Ross Wilmot

"Patrick McGrath"

Patrick McGrath

The accompanying notes are an integral part of these financial statements

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

| | For the year ended December 31, 2020 | Period from incorporation on December 17, 2019 to December 31, 2019 |
|--|---|--|
| | \$ | \$ |
| Expenses | | |
| Professional fees | 12,277 | 1,564 |
| Administrative and office | 927 | 2 |
| Transfer agent and filing fees | 269 | - |
| | <u>(13,473)</u> | <u>(1,566)</u> |
| Loss and comprehensive loss | <u>(13,473)</u> | <u>(1,566)</u> |
| | | |
| Basic and diluted weighted average number of shares outstanding | <u>6,617,464</u> | <u>3,171,529</u> |
| Basic and diluted loss per common share | <u>(\$0.00)</u> | <u>(\$0.00)</u> |

The accompanying notes are an integral part of these financial statements

BURRELL RESOURCES INC.**Statement of Changes in Shareholders' Equity****(Expressed in Canadian dollars)****For the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019**

| | Number of common shares | Capital Stock | Deficit | Total |
|--|-------------------------------|-------------------|--------------------|-------------------|
| Balance, December 17, 2019 | - | \$ - | \$ - | \$ - |
| Issuance of share capital for cash (Note 6(a)) | 3,700,100 | 18,500 | - | 18,500 |
| Loss for the period | - | - | (1,566) | (1,566) |
| Balance, December 31, 2019 | 3,700,100 | \$ 18,500 | \$ (1,566) | \$ 16,934 |
| Issuance of share capital for cash (Note 6(a)) | 9,317,000 | 186,340 | - | 186,340 |
| Issuance of share capital for property data acquisition (Note 6(a)) | 50,000 | 5,000 | - | 5,000 |
| Loss for the year | - | - | (13,473) | (13,473) |
| Balance, December 31, 2020 | 13,067,100 | \$ 209,840 | \$ (15,039) | \$ 194,801 |

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

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

| | For the year ended December 31, 2020 | Period from incorporation on December 17, 2019 to December 31, 2019 |
|--|---|--|
| | \$ | \$ |
| Operating activities | | |
| Net loss for the year | (13,473) | (1,566) |
| Net change in non-cash working capital | | |
| Increase in sales tax receivables | (455) | (55) |
| Increase in prepaids | (6,012) | - |
| Increase in accounts payable and accrued liabilities | 7,645 | 1,619 |
| Net cash used in operating activities | (12,295) | (2) |
| Financing activities | | |
| Proceeds from issuance of common shares | 186,340 | 18,500 |
| Net cash from financing activities | 186,340 | 18,500 |
| Investing activities | | |
| Payment for mineral property activities | (30,190) | - |
| Net cash used in investing activities | (30,190) | - |
| Increase in cash | 143,855 | 18,498 |
| Cash - beginning of year | 18,498 | - |
| Cash - end of year | 162,353 | 18,498 |
| Supplemental cash flow information | | |
| Cash paid for interest | \$ - | \$ - |
| Cash received for interest | - | - |
| Cash paid for taxes | - | - |
| Common shares issued for property data acquisition (Note 6(a)) | 5,000 | - |
| Accounts payable included in mineral properties | 2,130 | - |

The accompanying notes are an integral part of these financial statements

BURRELL RESOURCES INC.
NOTES TO the FINANCIAL STATEMENTS

For the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019

1. Nature of Operations and Going Concern

Burrell Resources Inc. (the “Company”) is a private company focused on the exploration of mineral assets.

The Company was incorporated on December 17, 2019 pursuant to the Business Corporations Act of British Columbia. The registered address office of the Company is located at 750 West Pender Street, Suite 1200, Vancouver BC, V6C 2T8.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities during the normal course of operations. These financial statements do not include adjustments or disclosures that may result from the Company’s inability to continue as a going concern. If the Company is unable to continue as a going concern, adjustments may be necessary in the carrying value of assets and liabilities, the reported net losses and statement of financial position classifications used, and such adjustments could be material.

The Company has not yet realized profitable operations, has relied on non-operational sources of financing to fund operations, has an accumulated deficit of \$15,039 (2019 - \$1,566) and has working capital of \$157,481 as at December 31, 2020 (2019 - \$16,934). These conditions cast significant doubt on the validity of the going concern assumption. The Company’s ability to continue as a going concern is dependent on its ability to obtain the necessary financing and to ultimately generate profitable operations. The Company must secure additional financing to fund its operations.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or results of operations at this time.

2. Basis of Presentation

Statement of compliance

These financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Boards (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) for the periods presented. The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Critical accounting judgments, estimates and assumptions

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amount of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

BURRELL RESOURCES INC.
NOTES TO the FINANCIAL STATEMENTS

For the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019

Information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are noted below with further details of the assumptions contained in the relevant note.

Critical accounting judgment

The preparation of these financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1.

Key sources of estimation uncertainty

Exploration and evaluation assets

The Company capitalizes mining property acquisition costs which are to be amortized when production is attained or the balance thereof written off should the property be disproven through exploration or abandoned. The carrying value of the Company's mineral property is reviewed by management at least annually, or whenever events or circumstances indicate that its carrying value may not be recovered. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Deferred tax assets and liabilities

The measurement of a deferred tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future tax provisions or recoveries could be affected.

3. Significant Accounting Policies

a) Financial Instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at amortized cost

BURRELL RESOURCES INC.
NOTES TO the FINANCIAL STATEMENTS

For the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. The Company's cash and accounts payables and accrued liabilities are classified as amortized cost.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss.

Financial assets at FVTOCI

Fair value through other comprehensive income ("FVTOCI") - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of comprehensive income (loss).

b) Exploration and evaluation assets

Direct costs related to the acquisition and exploration of mineral properties held or controlled by the Company are capitalized on an individual property basis until the property is put into production, sold, abandoned, or determined to be impaired. Administration costs and general exploration costs are expensed as incurred.

When the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation costs are tested for impairment and subsequently transferred to property and equipment. When a property is placed into commercial production, capitalized costs will be depleted using the units-of-production method.

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, or title may be affected by undetected defects.

BURRELL RESOURCES INC.
NOTES TO the FINANCIAL STATEMENTS

For the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019

c) Decommissioning obligations

The Company recognizes liabilities for statutory, contractual, legal or constructive obligations associated with the retirement of property, plant and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a provision for a decommissioning obligation is recognized at its net present value in the period in which it is incurred, using a discounted cash flow technique with market-based risk-free discount rates and estimates of the timing and amount of the settlement of the obligation.

Upon initial recognition of the liability, the corresponding decommissioning cost is added to the carrying amount of the related asset. Following initial recognition of the decommissioning obligation, the carrying amount of the liability is increased for the passage of time and adjusted for changes to significant estimates including the current discount rate, the amount or timing of the underlying cash flows needed to settle the obligation and the requirements of the relevant legal and regulatory framework. Subsequent changes in the provisions resulting from new disturbance, updated cost estimates, changes to estimated lives of operations and revisions to discount rates are also capitalized to the related asset. Amounts capitalized are depreciated over the lives of the assets to which they relate. The amortization or unwinding of the discount applied in establishing the net present value of provisions is charged to expense and is included within finance costs in the statement of loss and comprehensive loss.

d) Taxation

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

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

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

e) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less measurable component. The Company considers the fair value of common shares issued in a unit private placement to be the more easily measurable component and the common shares are valued

BURRELL RESOURCES INC.
NOTES TO the FINANCIAL STATEMENTS

For the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019

at their fair value, as determined by the closing quoted bid price on the issued date. The balance, if any, is allocated to the attached warrants. Any value attributed to the warrants is recorded as reserves.

f) Share-based compensation

The Company's stock option plan allows the Company's directors, officers, employees, and consultants to acquire shares of the Company. The fair value of options granted is recognized as share-based compensation expense with a corresponding increase in reserves. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Where options are subject to vesting, each vesting tranche is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the grant date using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. Share-based compensation expense is recognized over the tranche's vesting period by a charge to profit or loss. For employees, the compensation expense is amortized on a straight-line basis over the requisite service period which approximates the vesting period. Compensation expense for share options granted to non-employees is recognized over the contract services period or, if none exists, from the date of grant until the options vest. Compensation associated with unvested options granted to non-employees is re-measured on each statement of financial position date.

At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of options that are expected to vest. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based compensation. Otherwise, share-based compensation is measured at the fair value of goods or services received.

g) Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the reporting period. Diluted loss per share is computed similarly to basic loss per share except that the weighted average common shares outstanding are increased to include additional shares for the assumed exercise of share options and share purchase warrants, if dilutive. The number of additional common shares is calculated by assuming that outstanding share options and share purchase warrants were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting periods.

h) Right-of-use assets and lease liability

The Company has applied IFRS 16, Leases since its inception. The Company assess whether a contract is or contains a lease at inception of a contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company uses its incremental borrow rate. The lease liability is subsequently measure by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, payments made on or before the lease commencement and any direct costs. They are subsequently measured at cost less depreciation and any impairment losses. Right-of-use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset.

BURRELL RESOURCES INC.
NOTES TO the FINANCIAL STATEMENTS

For the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019

The Company does not currently have any leases that satisfy the conditions under IFRS 16 to record a right-of-use assets and lease liability.

i) Recent accounting pronouncements

IFRIC 23 – Uncertainty over Income Tax Treatments

The newly adopted IFRIC 23, Uncertainty over Income Tax Treatments clarifies the accounting for uncertainties in income taxes. The interpretation provides guidance and clarifies the application of the recognition and measurement criteria in IAS 12, Income Taxes when there is uncertainty over income tax treatments. The adoption of IFRIC 23 has not had an impact on the financial statements of the Company.

j) Impairment of long-lived assets

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

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

4. Exploration and evaluation assets

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristics of many mineral properties. The Company has investigated title to its mineral properties, to the best of its knowledge, title to the mineral property assets remains in good standing.

Antelope Project, Nevada, United States

The antelope project consists of two contiguous property option agreements.

Antelope I

On August 13, 2020, and amended on December 11, 2020, the Company entered into the Antelope Option Agreement, pursuant to which the Company agreed to lease a 100% interest in certain surface and mineral rights situated in the Antelope area, in White Pine County, Nevada ("Antelope I") in consideration of the following:

- (i) US\$3,550 on or before August 31, 2020 (paid);
- (ii) US\$10,000 on or before August 31, 2020 (paid);

BURRELL RESOURCES INC.
NOTES TO the FINANCIAL STATEMENTS

For the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019

- (iii) US\$12,000 on or before November 30, 2022;
- (iv) US\$17,000 on or before November 30, 2023;
- (v) US\$22,000 on or before November 30, 2024; and
- (vi) US\$26,000 on or before November 30, 2025 and on each anniversary date thereafter until the claims are in production;

Pursuant to the Antelope I agreement, the property owner also agreed to grant to the Company an option to acquire the property, prior to production on the property, in consideration for US\$750,000.

As further consideration for the lease, the Company will pay to the property owner a net smelter return ("NSR") between 1.5% and 2.5% dependent on the price of gold (US\$1,250 to US \$1,750 per ounce), provided that the Company may re-purchase the NSR in consideration for US\$750,000.

Antelope II

On November 2, 2020, and amended on January 11, 2021, the Company entered into a second Antelope Option Agreement to further consolidate its position in the Antelope area ("Antelope II"). The Company agreed to lease a 100% interest in certain surface and mineral rights in consideration as follows:

- (vii) US\$2,500 on signing (paid);
- (viii) Completing a 43-101 technical report by May 2, 2021 (completed)
- (ix) US\$10,000 and \$10,000 in common shares of the Company's stock divided by the weighted average of the last 10 trading days on or before November 2, 2022;
- (x) US\$15,000 on or before November 2, 2023;
- (xi) US\$20,000 on or before November 2, 2024;
- (xii) US\$25,000 on or before November 2, 2025; and
- (xiii) US\$30,000 on or before each anniversary date thereafter until the claims are in production;

Pursuant to the Antelope II agreement, the property owner also agreed to grant to the Company an option to acquire the property, prior to production on the property, in consideration for US\$4,000,000.

As further consideration for the lease, the Company will pay to the property owner a NSR between 2% and 3% dependent on the price of gold (US\$1,000 to US\$2,500 per ounce), provided that the Company may re-purchase half the NSR in consideration for US\$750,000.

Total expenditures for the year ended December 31, 2020 were as follows:

| | Antelope |
|--|-----------|
| Balance, December 17, 2019 and December 31, 2019 | \$ - |
| Additions: | |
| Property acquisitions costs | 23,760 |
| Technical report | 8,560 |
| Data acquisition (Note 6(a)) | 5,000 |
| Total | \$ 37,320 |

5. Financial Instruments

Financial instruments recognized on the statement of financial position consist of cash, sales tax receivable, accounts payable and accrued liabilities.

BURRELL RESOURCES INC.
NOTES TO the FINANCIAL STATEMENTS

For the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019

The carrying amounts on the statement of financial position for sales tax receivable, accounts payable and accrued liabilities approximate their fair values due to the immediate or short-term maturities of these financial instruments.

The Company's other financial instruments, cash, under the fair value hierarchy are based on level one quoted prices in active markets for identical assets.

The Company, through its financial assets and liabilities, is exposed to various risks. The following analysis provides a measurement of risks as at December 31, 2020:

(a) Credit risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and sales tax receivable. The Company limits its exposure to credit risk by placing its cash with high quality financial institutions. The Company's sales tax receivable consist of input tax credit refunds from the federal government and as such, the Company believes the risk to be minimal.

(b) Currency risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is not exposed to significant foreign exchange risk on its cash and accounts receivable or its obligations under accounts payable and accrued liabilities.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. As at December 31, 2020, the Company had working capital of \$157,481 including cash of \$162,353 to settle current liabilities of \$11,394.

The Company plans to seek an additional equity to fund its general working capital over the next twelve months. There can be no assurance that any additional financing will be available to the Company or, if it is, that it will be available on terms acceptable to the Company and will be sufficient to fund cash needs until the Company acquires an operating business or achieves positive cash flow.

d) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company is not exposed to any significant interest rate risk.

(e) Price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company occasionally maintains certain investments in marketable securities which are measured at fair value, being the closing price of each equity investment at the end of the reporting period and would be exposed to changes in share prices which would result in gains and losses being recognized in profit or loss.

6. Capital Stock

(a) Authorized

Common shares

BURRELL RESOURCES INC.
NOTES TO the FINANCIAL STATEMENTS

For the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019

The Company is authorized to issue an unlimited number of common shares without par value. At December 31, 2020, the Company had 13,067,100 shares issued and outstanding (2019 – 3,700,100).

During the period from incorporation on December 17, 2019 to December 31, 2019, the Company issued 3,700,100 common shares at \$0.005 per share for gross proceeds of \$18,500.

During the year ended December 31, 2020, the Company issued 9,317,000 common shares at \$0.02 per share for gross proceeds of \$186,340 and 50,000 common shares for data acquisition for its option mineral properties at a price of \$0.10 per share with a fair value of \$5,000.

(b) Share Purchase Options

The Company has reserved up to 10% of the issued common shares for issuance under the plan. The exercise price and the vesting terms are determined by the Board of Directors. The exercise price is at least equal to the market price of the common shares at the date of the grant and the term may not exceed 10 years from the date of grant. During the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019, no stock options were granted.

7. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of equity comprising issued capital stock, reserves and deficit.

The Company is not subject to externally imposed capital requirements. The Company does not pay dividends. There were no changes to the Company's capital management strategies during the year ended December 31, 2020.

The Company intends to raise additional working capital as required by the issuance of its common shares or units consisting of common shares and warrants to purchase common shares in the future.

8. Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the year ended December 31, 2020 was \$Nil (2019 - \$Nil).

9. Segmented Information

The Company operates in one business segment being the exploration of mineral properties. The Company's mineral property assets are all in the United States.

10. Income Taxes

A reconciliation of current income taxes at statutory rates with the reported taxes is as follows:

| | 2020 | 2019 |
|---|-------------|------------|
| Net loss before income taxes | \$ (13,473) | \$ (1,566) |
| Expected income tax recovery at statutory tax rates | \$ (3,907) | \$ (454) |

BURRELL RESOURCES INC.**NOTES TO the FINANCIAL STATEMENTS**

For the year ended December 31, 2020 and the period from incorporation on December 17, 2019 to December 31, 2019

| | | |
|---|-------|------|
| Change in unrecognized deductible temporary differences | 3,907 | 454 |
| Total deferred tax recovery | \$ - | \$ - |

Significant components of deductible and taxable temporary differences, unused tax losses and unused tax credits that have not been included on the statements of financial position are as follows:

| | 2020 | Expiry Dates | 2019 | Expiry Dates |
|--------------------|----------|--------------|--------|--------------|
| Non-capital losses | \$ 4,361 | 2037 | \$ 454 | 2037 |

Tax attributes are subject to review, and potential adjustment, by tax authorities.

11. Subsequent event

Subsequent to the year ended December 31, 2020, the Company engaged PI Financial Corp. (the "Agent") whereby the Agent has agreed to raise on a commercially reasonable efforts \$800,000 in an Initial Public Offering ("IPO") by the issuance of 5,333,333 common shares. Pursuant to the terms of the agreement, the Company has Agreed to pay the Agent a commission representing 8% of the gross proceeds of the IPO in cash. In addition, the Company will pay the Agent a corporate finance fee of \$25,000.

Subsequent to the year ended December 31, 2020, the Company and its founding directors and officers agreed to reprice 3,700,000 common shares from \$0.005 per share to \$0.015 resulting in additional gross proceeds of \$37,000. In addition, 1,000,100 common shares issued to a founding director and officer for \$0.015 per share were cancelled for consideration of \$15,000. The net impact to the Company was a cancellation of 1,00,100 common shares and net proceeds of \$22,000.

Subsequent to the year ended December 31, 2020, the Company granted 700,000 stock options at an exercise price of \$0.15 per share for a period of five years from the date of the IPO.

SCHEDULE "C"

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

(See attached)

The following MD&A of the operating results and financial position of the Company has been prepared by management, in accordance with the requirements of NI 51-102 as of May 14, 2021. The information herein should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2020, and the notes thereto, which have been prepared in accordance with the IFRS. The Company's accounting policies are described in note 3 of the aforementioned audited financial statements.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described under "Financial Instrument Risk" and "Forward Looking Statements" towards the end of this MD&A.

SELECTED ANNUAL INFORMATION

The following information has been extracted from the Company's audited annual financial statements.

| As at and for the year ended | December 31, 2020 | December 31, 2019 ⁽¹⁾ |
|---|----------------------|-------------------------------------|
| | \$ | \$ |
| Net Revenue | Nil | Nil |
| Loss and comprehensive loss | \$ 13,473 | \$ 1,566 |
| Loss per Common Share – basic and diluted | (0.00) | (0.00) |
| Cash | 162,353 | 18,498 |
| Mineral property interest | 37,320 | - |
| Total assets | 206,195 | 18,553 |

Notes:

(1) For the period from incorporation, December 17, 2019, to December 31, 2019.

Items that resulted in significant differences in the annual figures presented above are explained in the following narrative.

Loss and comprehensive loss

The Company's loss and comprehensive loss for the year ended December 31, 2020, increased compared to the loss and comprehensive loss for the shortened 2019 period, as the Company was just incorporated in late 2019 as compared to 2020 when the Company was actively raising capital and acquiring mineral exploration assets.

Mineral property interests

During the year ended December 31, 2020, the Company entered into option agreements to acquire the Antelope Property and prepared a technical report and incurred a total of \$37,320 in costs as compared to 2019 when it had yet to acquire a mineral property. The Company expects to increase its mineral property expenditures materially in future periods for exploration work programs and holding costs.

Cash

The Company raises funds, as required, in order to explore and develop its mineral properties and to conduct corporate activities. As a result, cash is typically expected to decrease in periods where there is

no financing transaction. The timing and amount of expenditures and financing transactions have caused the Company's cash balance to fluctuate from year to year.

Summary of Quarterly Results

The following table sets forth selected unaudited quarterly financial information derived from financial information for each of the most recent quarters.

| As at and for the quarter ended | 31-Dec-20 | 30-Sep-20 | 30-Jun-20 | 31-Mar-20 | 31-Dec-19⁽¹⁾ |
|--|------------------|------------------|------------------|------------------|--------------------------------|
| Revenue | Nil | Nil | Nil | Nil | Nil |
| Loss and comprehensive loss | 10,265 | 1,838 | 673 | 697 | 1,566 |
| Loss per Common Share | | | | | |
| – basic and diluted | (0.00) | (0.00) | (0.00) | (0.00) | (0.00) |
| Cash | 162,353 | 181,262 | 13,349 | 13,364 | 18,498 |
| Total assets | 206,195 | 200,065 | 18,423 | 18,409 | 18,553 |

Notes:

(1) For the period from incorporation, December 17, 2019, to December 31, 2019.

Mineral exploration and development is typically a seasonal business, and accordingly, the Company's administrative expenses and cash requirements will fluctuate depending upon the season. The Company's primary source of funding is through the issuance of Common Shares. When capital markets are depressed, the Company's activity level normally declines accordingly. As capital markets strengthen and the Company is able to secure equity financing on favourable terms, the Company's activity levels and the size and scope of planned exploration and development programs will also increase.

The Company expects its general administrative and exploration expenses to increase in future quarters as it began its Phase I exploration work program at the Antelope Project and becomes a reporting issuer.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

The Company is a junior exploration company and, as such, its net losses are largely driven by its exploration activities and there is no expectation of generating operating profits until it identifies and develops a commercially viable mineral deposit.

| | Year Ended December 31, 2020 | Period from incorporation (December 17, 2019) to December 31, 2019 |
|------------------------------------|------------------------------------|---|
| | \$ | \$ |
| Professional fees | 12,277 | 1,564 |
| General administrative costs | 927 | 2 |
| Transfer agent and filing fees | 269 | - |
| LOSS AND COMPREHENSIVE LOSS | 13,473 | 1,566 |

Operating Results for the Year Ended December 31, 2020

The Company incurred a loss of \$13,473 (\$0.00 per Common Share) for the year ended December 31, 2020, compared to a loss of \$1,566 (\$0.00 per Common Share) over the prior period, which was from the date of incorporation, on December 17, 2019, to December 31, 2019. The current year reflects the activity related to financing the Company and entering into the Antelope Option Agreements to explore the Antelope project versus the prior shortened period which largely reflects the incorporation and initial funding of the Company. During both periods, the majority of expenditures relates to professionals' fees to assist in the business activities. The Company expects to continue to incur losses for the foreseeable future as it advances its exploration plan.

Operating Results for the Three Months Ended December 31, 2020

The Company incurred a loss of \$10,265 (\$0.00 per Common Share) for the three months ended December 31, 2020, compared to a loss of \$1,566 (\$0.00 per Common Share) over the prior period, which was from the date of incorporation, on December 17, 2019, to December 31, 2019. The current quarter reflects the professional fees related to preparing the Company for its public offering versus the period when the Company was incorporated.

LIQUIDITY AND CAPITAL RESOURCES

The Company had \$162,353 in cash as at December 31, 2020, compared to \$18,498 in cash as at December 31, 2019. As at December 31, 2020, the Company had working capital of \$157,481. The source of the Company's capital has been the issuance of Common Shares for cash. See *Financing Activities*. As at December 31, 2020, apart from the Antelope Option Agreements the Company had no contractual obligations outstanding.

The Company will continue to require additional funding to maintain its ongoing exploration and development programs, property maintenance payments and operations. Its principal source of funds is the issuance of Common Shares. The Company has filed a preliminary prospectus to raise additional capital and become publicly traded. As such, the price of its Common Shares is susceptible to factors beyond management's control including, but not limited to, fluctuations in commodity prices and foreign exchange rates and changes in the general market outlook. Should the Company require funds during a time when the price of its Common Shares is depressed, the Company may be required to accept significant dilution to maintain enough liquidity to continue operations or may be unable to raise sufficient capital to meet its obligations.

Operating Activities

The main components of cash flows used for operating activities are discussed in the Results of Operations section, above.

Financing Activities

The source of the Company's capital has been the issuance of Common Shares for cash. During the year ended December 31, 2020, the Company received \$186,340 through the issuance of Common Shares as compared to \$18,500 in the shortened 2019 period.

Investing Activities

The primary use of the Company's capital has been the investment in the Antelope Property which used \$30,190 of cash during the year ended December 31, 2020, for the acquisition and preparation of the technical report as compared to no cash used in the shortened 2019 period.

RELATED PARTY TRANSACTIONS

Management compensation

The Company's related parties include its directors and officers, who are the key management of the Company. There was no remuneration of directors and officers during the year ended December 31, 2020 and the period from incorporation, on December 17, 2019, to December 31, 2019.

OUTSTANDING COMMON SHARE DATA

As at the date of this report, the Company has 12,067,000 Common Shares outstanding and 700,000 stock options.

CONTRACTUAL OBLIGATIONS AND PROPOSED TRANSACTIONS

The Company has no off-balance sheet arrangements and no capital lease agreements, and apart from the Antelope Option agreements, no contractual obligations. The Company does not have any externally imposed capital requirements and no proposed transactions.

The Company must continue to make payments under the Antelope Option Agreements. See "*Material Contracts*" and "*Significant Acquisitions*" above.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS

General Exploration Expenses

The Company's recent activities have focused on the acquisition of the mineral project and preparation of the NI 43-101 technical report for the Antelope Project. General exploration expenses for the periods presented were as follows:

| | Year ended December 31, 2020 | Period from incorporation (December 17, 2019) to December 31, 2019 |
|----------------------------|------------------------------------|---|
| | \$ | \$ |
| Property acquisition costs | 23,760 | - |
| Technical report | 8,560 | - |
| Data acquisition | 5,000 | - |
| TOTAL | 37,320 | - |

Lawrence O'Connor, a qualified person as defined by NI 43-101, has reviewed the scientific and technical information that forms the basis for this MD&A. Mr. O'Connor is a director of the Company.

NEW ACCOUNTING POLICIES ADOPTED

The following accounting standards were adopted by the Company effective January 1, 2019.

IFRIC 23 – Uncertainty over Income Tax Treatments. The newly adopted IFRIC 23, Uncertainty over Income Tax Treatments clarifies the accounting for uncertainties in income taxes. The interpretation provides guidance and clarifies the application of the recognition and measurement criteria in IAS 12, Income Taxes when there is uncertainty over income tax treatments. The adoption of IFRIC 23 has not had an impact on the financial statements of the Company.

FINANCIAL INSTRUMENT RISK

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to liquidity and credit risks from the use of financial instruments. Financial instruments consist of cash, receivables and accounts payable and accrued liabilities.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they come due. Certain conditions cast significant doubt on the Company's ability to meet its financial obligations. Refer Liquidity and Capital Resources for more information regarding the Company's liquidity risk.

Credit risk

The Company is exposed to credit risk on its bank accounts and receivables. To reduce credit risk, substantially all cash is on deposit at Canadian chartered banks. Receivables consist of Canadian excise taxes receivable. Accordingly, the Company considers its exposure to credit risk minimal.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

The Company has cash balances which are not subject to significant risks in fluctuating interest rates. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. An increase to interest rates by 1% would have an insignificant effect on the Company's operations.

Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, restricted cash, receivables and accounts payable and accrued liabilities that are denominated in US dollars.

Price risk

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

Sensitivity Analysis

The Company operates in the United States and is exposed to exchange risk from changes in the US dollar. At December 31, 2020, a 10% fluctuation in the US dollar against the Canadian dollar would have a minimal impact on the Company's loss and comprehensive loss.

CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION AND STATEMENTS

This MD&A contains certain forward-looking statements concerning anticipated developments in Burrell's operations in future periods. Statements that are not historical fact are forward looking information as that term is defined in National Instrument 51-102 ("**NI 51-102**") of the Canadian Securities Administrators. Certain forward looking information should also be considered future-oriented financial information ("**FOFI**") as that term is defined in NI 51-102. The purpose of disclosing FOFI is to provide a general overview of management's expectations regarding the anticipated results of operations and capital expenditures. Forward-looking statements and information (referred to herein together as "**Forward-Looking Statements**") are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The material factors or assumptions used to develop forward-looking statements include prevailing and projected market prices and foreign exchange rates, exploitation and exploration estimates and results, continued availability of capital and financing, and general economic, market or business conditions and as more specifically disclosed throughout this document. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of Burrell may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors.

The Company's Forward-Looking Statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include, but are not limited to, uncertainties involved in fluctuations in gold and other commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and geology, continuity and grade of mineral deposits; uncertainty of

estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; the need for cooperation of government agencies and First Nations in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty of meeting anticipated program milestones; and uncertainty as to timely availability of permits and other governmental approvals.

SCHEDULE "D"

AUDIT COMMITTEE CHARTER

AUDIT COMMITTEE TERMS OF REFERENCE

1. Role and Objective

The Audit Committee (the "**Committee**") is a committee of the Board (the "**Board**") of the Company to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board of Director approval, the audited financial reports and other mandatory disclosure releases containing financial information. The objectives of the Committee, with respect to the Company and its subsidiaries, are as follows:

- To assist Directors to meet their responsibilities in respect of the preparation and disclosure of the financial reports of the Company and related matters.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board.
- To ensure the external auditors' independence and review and appraise their performance.
- To increase the credibility and objectivity of financial reports.
- To strengthen the role of the outside directors by facilitating in depth discussions between directors on the Committee, management and external auditors.

2. Composition

The Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be independent directors, pursuant to the policies of the CSE.

At least one member 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 these Terms of Reference, the definition of "financially literate" is the ability to read and understand a set of financial reports 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 reports.

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

3. Meetings

The Committee shall meet at least four times per year or as deemed appropriate by the Committee Chair. As part of its job to foster open communication, the Committee will meet at least annually with management and the external auditors in separate sessions.

Agendas, with input from management, shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.

The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to the Committee members with copies to the Board, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor.

The Chief Executive Officer and the Chief Financial Officer or their designates shall be available to attend at all meetings of the Committee upon the invitation of the Committee.

The Controller, Treasurer or such other staff as appropriate to provide information to the Committee shall attend meetings upon invitation by the Committee.

4. Mandate and Responsibilities

To fulfill its responsibilities and duties, the Committee shall:

- (1) undertake annually a review of this mandate and make recommendations to the Corporate Governance and Compensation Committee as to proposed changes;
- (2) satisfy itself on behalf of the Board with respect to the Company's internal control systems, including, where applicable, relating to derivative instruments:
 - a) identifying, monitoring and mitigating business risks; and
 - b) ensuring compliance with legal and regulatory requirements;
- (3) review the Company's financial reports, MD&A, any annual earnings, interim earnings and press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial reports), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors; the process should include but not be limited to:
 - a) reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial reports;
 - b) reviewing significant accruals, reserves or other estimates such as the ceiling test calculation;
 - c) reviewing accounting treatment of unusual or non-recurring transactions;

- d) ascertaining compliance with covenants under loan agreements;
 - e) reviewing financial reporting relating to asset retirement obligations;
 - f) reviewing disclosure requirements for commitments and contingencies;
 - g) reviewing adjustments raised by the external auditors, whether or not included in the financial reports;
 - h) reviewing unresolved differences between management and the external auditors;
 - i) obtain explanations of significant variances with comparative reporting periods; and
 - j) determine through inquiry if there are any related party transactions and ensure the nature and extent of such transactions are properly disclosed;
- (4) review the financial reports and related information included in prospectuses, MD&A, information circular-proxy statements and annual information forms, prior to Board approval;
- (5) with respect to the appointment of external auditors by the Board:
- a) require the external auditors to report directly to the Committee;
 - b) review annually the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company;
 - c) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company and confirming their independence from the Company;
 - d) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
 - e) be directly responsible for overseeing the work of the external auditors engaged for the purpose of issuing an auditors' report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;
 - f) review management's recommendation for the appointment of external auditors and recommend to the Board appointment of external auditors and the compensation of the external auditors;
 - g) review the terms of engagement of the external auditors, including the appropriateness and reasonableness of the auditors' fees;

- h) when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change;
 - i) take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors; and
 - j) 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 reports.
- (6) review all public disclosure containing audited or unaudited financial information before release;
- (7) review financial reporting relating to risk exposure;
- (8) satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information from the Company's financial reports and periodically assess the adequacy of those procedures;
- (9) 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;
- (10) review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial reports of the Company and its subsidiaries;
- (11) 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 and consider the impact on the independence of the auditors; The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - a) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent (5%) 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;
 - b) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - c) 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 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;

- (12) review any other matters that the Audit Committee feels are important to its mandate or that the Board chooses to delegate to it;
- (13) with respect to the financial reporting process:
- a) in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
 - b) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
 - c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
 - d) review significant judgments made by management in the preparation of the financial reports and the view of the external auditors as to appropriateness of such judgments;
 - e) 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;
 - f) review any significant disagreement among management and the external auditors regarding financial reporting;
 - g) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
 - h) review the certification process;
 - i) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - j) establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

5. Authority

Following each meeting, in addition to a verbal report, the Committee will report to the Board by way of providing copies of the minutes of such Committee meeting at the next Board meeting after a meeting is held (these may still be in draft form).

Supporting schedules and information reviewed by the Committee shall be available for examination by any director.

The Committee shall have the authority to investigate any financial activity of the Company and to communicate directly with the internal and external auditors. All employees are to cooperate as requested by the Committee.

The Committee may retain, and set and pay the compensation for, persons having special expertise and/or obtain independent professional advice to assist in fulfilling its duties and responsibilities at the expense of the Company.

CERTIFICATE OF THE COMPANY

Dated: May 14, 2021

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

“Patrick McGrath”
Patrick McGrath
Chief Executive Officer

“Kenneth Taylor”
Kenneth Taylor
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“N. Ross Wilmot”
N. Ross Wilmot
Director

“Lawrence O’Connor”
Lawrence O’Connor
Director

CERTIFICATE OF THE PROMOTER

Dated: May 14, 2021

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

“Patrick McGrath”
Patrick McGrath

CERTIFICATE OF THE AGENT

Dated: May 14, 2021

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

PI FINANCIAL CORP.

"Jim Locke"

Jim Locke

Vice President, Investment Banking