

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

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

Non-Offering Preliminary Prospectus

NON-OFFERING
PRELIMINARY PROSPECTUS

MARCH 31, 2021

PRISMA CAPITAL INC.
Suite 1080 – 789 West Pender Street,
Vancouver, British Columbia, V6C 1H2,
Canada

No securities are being offered pursuant to this Prospectus

This non-offering preliminary prospectus (the “**Prospectus**”) is being filed with the British Columbia Securities Commission for the purpose of allowing Prisma Capital Inc. (“**PRISMA**”, the “**Issuer**” or the “**Corporation**”) for the purposes to comply with Policy 2 – *Qualifications for Listing of the Canadian Securities Exchange* in order for the Corporation to meet the eligibility requirements for the listing of Prisma’s common shares on the Canadian Securities Exchange (“**CSE**” or the “**Exchange**”).

Since no securities are being sold pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Corporation from its general funds.

There is no market through which the securities of the Issuer may be sold and purchasers may not be able to resell securities. See "Risk Factors".

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

Concurrently with the filing of this Prospectus, the Issuer will make an application for listing on CSE. Listing is subject to the Issuer fulfilling all of the listing requirements of the CSE, including meeting all minimum listing requirements.

An investment in securities of the Issuer is speculative and involves a high degree of risk.

No underwriters or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.

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PROSPECTUS SUMMARY

The following is a summary of the Issuer and the principal features of the Transaction and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Capitalized terms are defined in the Glossary of Terms section of this prospectus.

The Issuer Prisma was incorporated pursuant to the BCBCA under the incorporation number BC1157560 on March 21, 2018.

The Corporation's head office and registered office is located at Suite 1080 – 789 West Pender Street, Vancouver, British Columbia, V6C 1G2. The Corporation's common shares do not currently trade on any stock exchange. See "*Corporate Structure*".

Business of the Issuer The principal activity of the Corporation is mineral exploration in British Columbia. The Corporation holds interests in twenty mineral claims covering 3,764.17 hectares known as the "McGill Property". The Property is located in south central British Columbia, about 20 kilometres north of the town of Lytton. The map that follows shows the location of the McGill Property. See "*Description of the Business*".

Objectives and Milestones The primary objective business objectives for the Corporation over the next 12 months are:

- (a) to list on the Canadian Securities Exchange;
- (b) to complete the Phase 1 recommended work program on the McGill Property;
- (c) to complete additional equity financings should they be necessary to advance the Corporation's objectives; See "*Principal Purposes*".

Listing The Issuer is applying to have its Common Shares listed on the CSE. Listing is subject to the Issuer fulfilling all the requirements of the CSE. See page 1 of this Prospectus.

Use of Available Funds As at February 28, 2021, the most recent month-end before the date of this Prospectus, the Issuer had an approximate consolidated working capital of \$36,823.88. On October 9, 2020, the Issuer completed a financing which raised total proceeds of \$88,750 through the issuance of 3,550,000 common shares at a price of \$0.025 per common share. On January 13, 2020, the Issuer completed a financing which raised total proceeds of \$26,845 through the issuance of 536,900 common shares at a price of \$0.05 per common share. On December 19, 2019, the Issuer completed a financing which raised total proceeds of \$13,700 through the issuance of 274,000 common shares at a price of \$0.05 per common share. For a more detailed discussion on the Issuer's available funds, see "Use of Available Funds" and "Describe the Business". The Issuer will require funding from other sources to continue operations and to complete a listing on the CSE. Such additional funds would likely be raised through a private placement of securities. There is no assurance that such funding will be

available.

The Offering

No securities are being offered pursuant to this Prospectus. This Prospectus is being filed with the BCSC (as hereinafter defined) for the purpose of allowing the Issuer to apply for listing on the CSE and to enable the Issuer to develop an organized market for its Common Shares (as hereinafter defined). Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Issuer.

Directors and Executive Officers of the Issuer

Brent Hahn – Director and Chief Executive Officer
David Eaton – Director and Chief Financial Officer
James McCrea – Director
Jesse Hahn – Director
See "*Directors and Executive Officers*" for more information.

Risk Factors

The activities of the Corporation are subject to the risks normally encountered in a growing business, including: negative operating cash flow; lack of adequate capital; liquidity concerns and future financing requirements to sustain operations; competition; government regulation; and uncertainty regarding penetration of the target market.

See "*Risk Factors*" for more information.

Summary of Financial Information

The following selected financial information has been derived from the audited financial statements of the Issuer included in this Prospectus and should be read in conjunction with such financial statements and the related notes thereto, along with the Management Discussion and Analysis included in this Prospectus. All financial statements of the Issuer and are prepared in accordance with International Financial Reporting Standards.

	Financial year ended December 31, 2020	Financial year ended December 31, 2019
Revenue (\$)	-	-
Administration expenses (\$)	7,886	35
Exploration and evaluation expenditures (\$)	-	-
Loss after income tax (\$)	7,886	0
Basic and diluted loss per common share (\$)	(0.00)	(0.00)
Total assets (\$)	128,874	13,515
Total liabilities (\$)	5,000	-
Working Capital (\$)	51,114	13,515

See "*Select Financial Information*" Corporation and the Resulting Issuer. Additional factors are noted in this Prospectus under "*Risk Factors*".

FORWARD-LOOKING INFORMATION

Certain statements contained in this prospectus constitute forward-looking information under applicable Canadian securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “objectives”, “strategies”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. 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 Corporation 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 its prospectus should not be unduly relied upon.

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

- Mineral Resource estimates;
- targeting additional Mineral Resources and expansion of deposits;
- the Corporation’s expectations, strategies and plans for the McGill Property, including the Corporation’s planned exploration activities;
- the results of future exploration and drilling and estimated completion dates for certain milestones;
- successfully adding or upgrading Mineral Resources and successfully developing new deposits;
- the timing, receipt and maintenance of approvals, licenses and permits from the government and from any other applicable government, regulator or administrative body;
- future financial or operating performance and condition of the Corporation and its business, operations and properties; and
- any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements. The actual results could differ materially from those anticipated in these forward-looking statements or information as a result of the risk factors set forth below and elsewhere in this prospectus:
 - mineral exploration, development and operating risks;
 - estimation of mineralization, resources and reserves;
 - environmental, health and safety regulations of the resource industry;
 - competitive conditions;
 - operational risks;
 - liquidity and financing risks;
 - funding risk;
 - exploration costs;
 - uninsurable risks;
 - environmental bonds;
 - conflicts of interest;
 - government policy changes;

- ownership risks;
- permitting and licensing risks;
- artisanal miners;
- difficulty in enforcement of judgments;
- market conditions;
- stress in the global economy;
- current global financial condition;
- reliance on key personnel;
- dilution risk;
- exchange rate and currency risks;
- commodity prices;
- COVID-19 Global Pandemic;
- other factors discussed under “*Risk Factors*”; and
- other risks and uncertainties described elsewhere in this prospectus.

Although the forward-looking statements contained in this prospectus are based upon assumptions which the Corporation believes to be reasonable, the Corporation cannot assure holders or prospective purchasers of Ordinary Shares that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this prospectus, the Corporation has made assumptions regarding: future commodity prices and royalty regimes; availability of skilled labour; timing and amount of capital expenditures; future currency exchange and interest rates; the impact of increasing competition; general conditions in economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; royalty rates; future tax rates; future operating costs; availability of future sources of funding; ability to obtain financing and assumptions underlying estimates related to adjusted funds from operations. The Corporation has included the above summary of assumptions and risks related to forward-looking information provided in this prospectus in order to provide holders of Common Shares with a more complete perspective on the Corporation’s future operations and such information may not be appropriate for other purposes. The Corporation’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Corporation will derive therefrom. These forward-looking statements are made as of the date of this prospectus and the Corporation disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

PRESENTATION OF FINANCIAL INFORMATION

The Corporation’s financial statements and other financial information included in this prospectus have been prepared in accordance with IFRS.

GLOSSARY OF TERMS

"**Affiliate**" means a company that is affiliated with another company as described below. A company is an Affiliate of another company if (a) one of them is the subsidiary of the other, or (b) each of them is controlled by the same person. A company is "controlled" by a person if (a) voting securities of the issuer are held, other than by way of security only, by or for the benefit of that person, and (b) the voting securities, if voted, entitle the person to elect a majority of the directors of the issuer. A person beneficially owns securities that are beneficially owned by;

- (a) a company controlled by that person, or
- (b) an Affiliate of that person or an Affiliate of any company controlled by that person.

"**Associate**" when used to indicate a relationship with a person or company, means (a) a partner, other than a limited partner, of that person, (b) a trust or estate in which that person has a substantial beneficial interest or for which that person serves as trustee or in a similar capacity, (c) an issuer in respect of which that person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the issuer, or (d) a relative, including the spouse, of that person or a relative of that person's spouse, if the relative has the same home as that person.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**BCSC**" means the British Columbia Securities Commission.

"**Board**" means the board of directors of the Issuer.

"**CEO**" means chief executive officer.

"**CFO**" means chief financial officer.

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

"**Corporation**" means Prisma Capital Inc.;

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

"**CSE Approval**" means the final approval of the CSE in respect of the listing of the Common Shares on the CSE, as evidenced by the issuance of the final approval bulletin of the CSE in respect thereof.

"**CSE Policies**" means the rules and policies of the CSE in effect as of the date hereof.

"**Effective Date**" means the date on which the BCSC issues a final receipt for this Prospectus.

"**Escrow Agent**" and "**Transfer Agent**" means Endeavor Trust Company, at its Vancouver office located at suite 702 – 777 Hornby Street, Vancouver BC, V6Z 1S4.

"**Escrow Agreement**" means the escrow agreement among the Issuer, the Escrow Agent, and the holders of the Escrow Securities.

"**Escrow Securities**" means the Common Shares held by the directors, officers and insiders on the Listing Date that will be deposited or voluntarily deposited in escrow or a voluntary pooling arrangement pursuant to the Escrow Agreement or a voluntary pooling agreement, as applicable.

"**Financing**" means the Issuer's financings which raised total gross proceeds of \$129,295 through the issuance of 4,360,900 common shares at prices from \$0.025 to \$0.05 per common share.

“Insider” if used in relation to an issuer, means:

- a) a director or senior officer of the issuer;
- b) a director or senior officer of the Corporation that is an Insider or subsidiary of the issuer;
- c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
- d) the issuer itself if it holds any of its own securities;

"Issuer" means Prisma Capital Inc.

“Listing” means the application made by Prisma to list its Common Shares on the Exchange concurrently with the filing of this Prospectus;

"Listing Date" means the date on which the Common Shares are listed for trading on the CSE.

"Named Executive Officers" means the following individuals:

- (a) the Issuer's CEO;
- (b) the Issuer's CFO;
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Issuer's CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of 51-102F6V Statement of Executive Compensation – Venture Issuers, for that financial year; and
- (d) each individual who would be an Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of the Issuer, and not acting in a similar capacity, at the end of that financial year.

"NP 46-201" means National Policy 46-201 *Escrow for Initial Public Offerings* as published by the Canadian Securities Administrators.

"NI 51-102" means National Instrument 51-102 *Continuous Disclosure Requirements*.

"NI 52-110" means National Instrument 52-110 *Audit Committees*.

"NI 58-101" means National Instrument 58-101 *Disclosure of Corporate Governance Practices*.

"NI 58-201" means National Policy 58-201 *Corporate Governance Guidelines*.

"Option Agreement" means the option agreement executed by and between Homegold Resources Ltd. and Prisma Capital Inc. on October 5, 2020.

"Optionee" means the holder of an Option.

“Optionor” or **“Vendor”** refers to Homegold Resources Ltd. (a corporation owned by Jo. T. Shearer)

"Options" means incentive stock options granted to the Issuer's directors, officers, employees and consultants in accordance with the Stock Option Plan and rules and the CSE Policies.

"**Person**" means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual, or an individual.

"**Prospectus**" means this prospectus and any appendices, schedules or attachments hereto.

"**Resulting Issuer**" means the Corporation as specifically as referred to in this Prospectus, following completion of the Arrangement;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval for the filing of disclosure documents by reporting issuers in Canada, accessible at www.sedar.com;

"**Stock Option Plan**" means the Issuer's stock option plan providing for the grant of Options to the Issuer's directors, officers, employees and consultants in accordance with the provisions of the Stock Option Plan and the CSE Policies.

"**PRISMA**" means Prisma Capital Inc.;

"**PRISMA Shares**" means the Common Shares without par value in Prisma; and

"**Prisma Shareholders**" means the shareholders of Prisma.

"**Property**" refers to the McGill property (also known as the "McGillivray Property")

CURRENCY

All sums of money to be paid or calculated pursuant to this Prospectus shall be paid or calculated in the currency of Canada unless otherwise expressly stated and the references to \$ are to Canadian dollars.

CORPORATE STRUCTURE

Name and Incorporation of Issuer

Prisma was incorporated pursuant to the BCBCA under the incorporation number BC1157560 on March 21, 2018.

The Corporation's head office and registered office is located at Suite 1080 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2. The Corporation's common shares do not currently trade on any stock exchange. See "Corporate Structure".

As of the date of this Prospectus.. The Corporation's common shares do not currently trade on any stock exchange.

Intercorporate relationships

The Corporation has no subsidiaries.

Financing

On October 9, 2020, the Corporation completed a private placement comprised of 3,550,000 common shares of the Corporation at a price of \$0.025 per share for total proceeds of \$88,750. Of the 3,550,000 common shares issued, 50,000 were purchased by Brent Hahn, a director of the Corporation.

On January 13, 2020, the Corporation completed a private placement comprised of 536,900 common shares of the Corporation at a price of \$0.05 per share for total proceeds of \$26,845.

On December 19, 2019, the Corporation completed a private placement comprised of 274,000 common shares of the Corporation at a price of \$0.05 per share for total proceeds of \$13,700.

DESCRIPTION OF THE BUSINESS

The Corporation is engaged in the acquisition and exploration of mineral properties. The Corporation currently has an option to acquire a one hundred percent (100%) undivided interest in the McGill Property, its principal property. The McGill Property is comprised of twenty mineral tenures covering approximately 3,764.17 hectares located in south central British Columbia, about 20 kilometres north of the town of Lytton. The property is about a four-hour drive from Vancouver and has a network of gravel logging roads for access. The Corporation's exploration program will be primarily focused on copper-gold exploration.

Acquisition of the McGill (Formerly known as McGillivray) Property

On October 5, 2020, the Corporation entered into the McGillivray Option Agreement with Homegold Resources Ltd. (the "Vendor"), where by the Vendors granted the Corporation an option to acquire a 100% undivided interest in the McGillivray Property. The Corporation is required to pay to the Vendor the aggregate sum of Two Hundred Twelve Thousand Five Hundred Dollars (\$212,500) which sum includes the deposit of \$7,500 which has been paid on the signing of the agreement, and to issue to the Vendor a total of Nine Hundred Thousand (900,000) shares in installments, and complete minimum expenditures on the Property of at least Fifty-five Thousand Dollars (\$55,000) by October 5, 2021, in accordance with the following schedule:

Date	Shares	Cash Payments	Expenditures
On Signing	100,000	\$7,500	\$55,000
1 st Anniversary	100,000	\$10,000	
2 nd Anniversary	100,000	\$15,000	\$50,000

3 rd Anniversary	200,000	\$30,000	
4 th Anniversary	200,000	\$50,000	\$50,000
5 th Anniversary	200,000	\$100,000	
Total:	900,000	\$212,500	\$155,000

The Corporation will also be responsible to make all government payments in order to maintain the mineral claims in good standing. The Vendor will also retain a 1.5% net smelter return royalty (the “Royalty”) on the McGill Property upon payment to the Vendor of One Million Dollars (\$1,000,000).

Competitive Conditions

The mineral exploration industry is competitive, with many companies competing for the limited number of precious and base metals acquisition and exploration opportunities that are economic under current or foreseeable metals prices, as well as for available investment funds. Competition is also high for the recruitment of qualified personnel and equipment. Significant and increasing competition exists for mineral opportunities in the Province of Québec. There are a number of large established mineral exploration companies in the Val d’Or region with substantial capabilities and greater financial and technical resources than the Corporation.

Government Regulation

Mining operations and exploration activities are subject to various laws and regulations which govern prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters.

Environmental Regulation

The Corporation’s mineral exploration activities are subject to various federal and provincial laws and regulations governing protection of the environment. In general, these laws are amended often and are becoming more restrictive.

Employees

As of the date of this prospectus, the Corporation has no employees. The Corporation’s executive officers are independent contractors of the Corporation.

Trends

There is significant competition for the acquisition of promising properties, as well as for hiring qualified personnel. The Corporation’s competitors may have more substantial financial and technical resources for the acquisition of mineral concessions, claims or mineral interests, as well as for the recruitment and retention of qualified personnel.

The present and future activities of the Corporation may be influenced to some degree by factors such as the availability of capital, governmental regulations, including environmental regulation, territorial claims and security on mining sites. The influence of such factors cannot be predicted.

To the knowledge of the Corporation, other than what is described in this prospectus, there is no current trend or event that could reasonably influence, in a significant manner, the activities, financial situation or operating results of the Corporation for the current fiscal year. See “*Risk Factors*”.

MCGILL PROPERTY

The following represents information summarized from the Technical Report on the McGill Property dated December 22, 2020 (previously defined as “Technical Report”), prepared by Sean P. Butler, P. Geo. (previously defined as “Qualified Person”), a “qualified person”, as defined under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (previously defined as “NI 43-101”), prepared in accordance with the requirements of NI 43-101. Note that not all of the figures and tables from the Technical Report are reproduced in and form part of this prospectus. The remaining figures are contained in the Technical Report which is expected to be made available under the Corporation's profile on the SEDAR website at www.sedar.com.

PROPERTY DESCRIPTION AND LOCATION

The McGill Property is located in south central British Columbia, Canada north of the town of Lytton. The Latitude of 50.46° and Longitude of 121.64° are near the centre of the claim group. The claims are also located on the following topographic maps; the 1:20,000 BC Government TRIM Map-sheets 92I042, 92I043 and 92I052 and the Government of Canada 1:50,000 NTS Map-sheets 092I/05 and 092I/12.

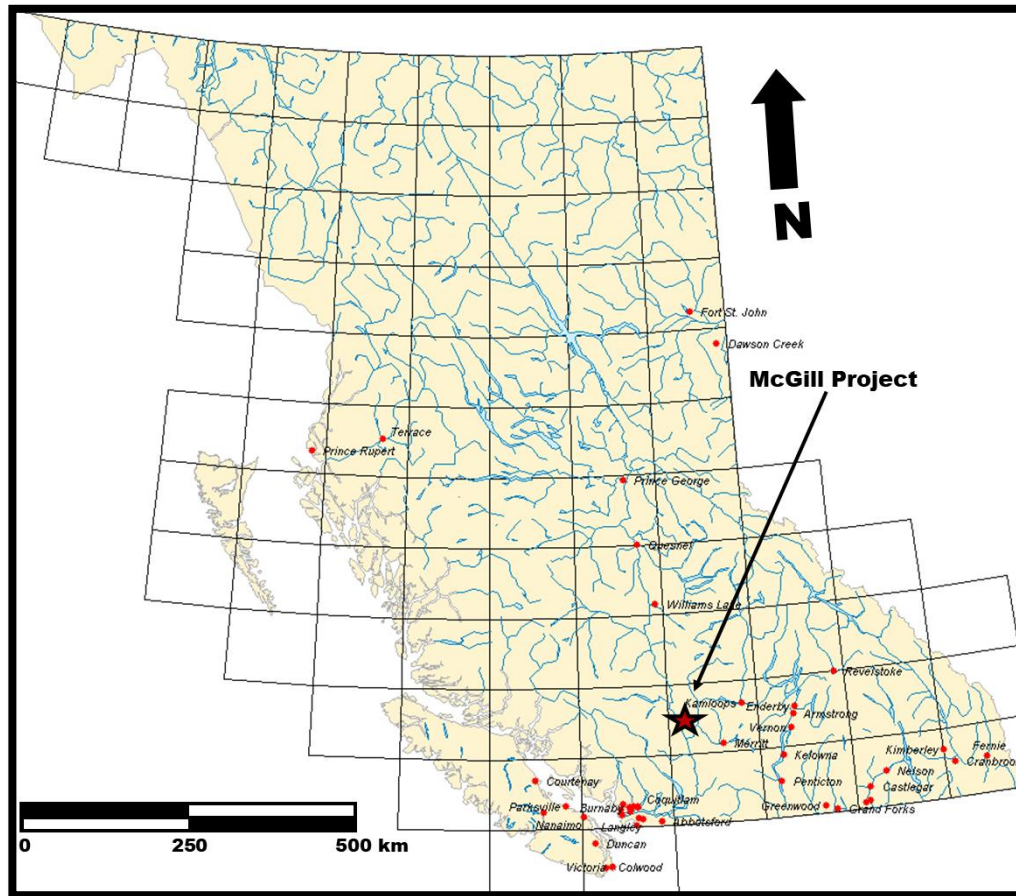
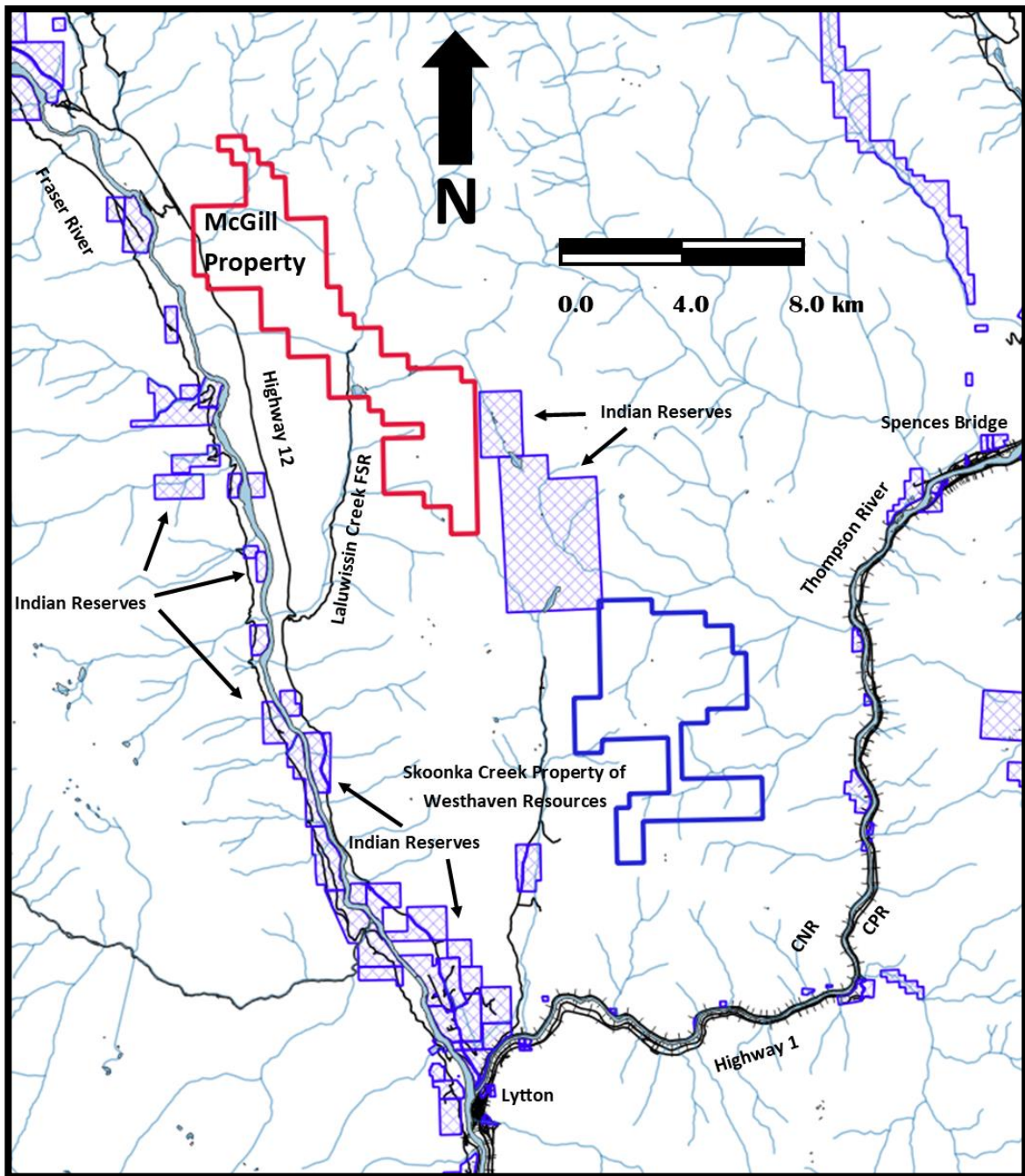


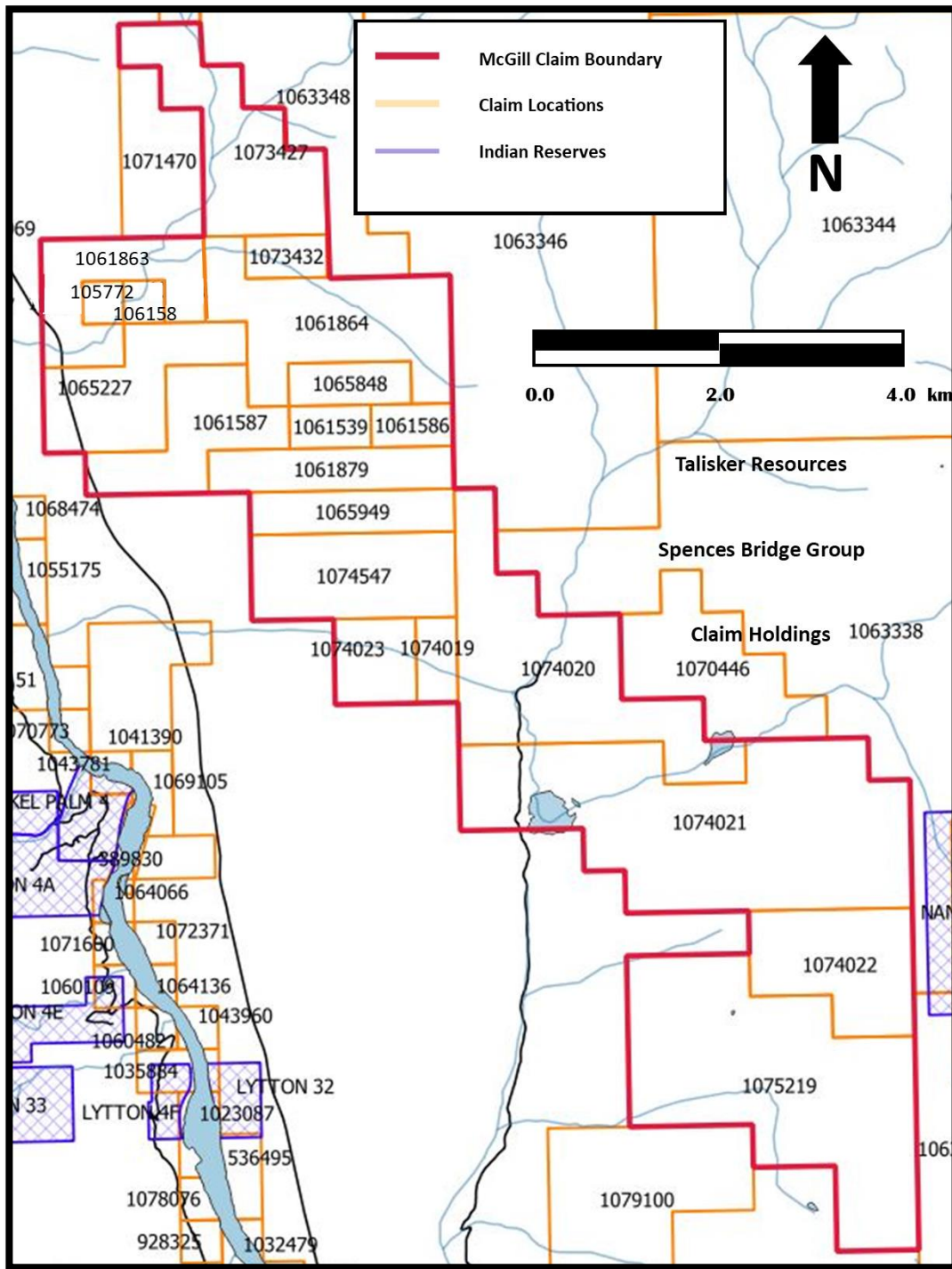
Figure 0-1 Location in British Columbia, Canada

The location is to the east of the Fraser River in the valleys and mountains of this area as shown in Figure 0-1 to Figure 0-3.



Source: BC GIS Data Website modified by SPB, 2020

Figure 0-2 McGill Claim Group Location in Region



Source: BC GIS Data Website modified by SPB, 2020

Figure 0-3 McGill Group of Claims outlined in red with claim record numbers

The Author has used the Government of British Columbia Mineral Titles online website (MTONLINE) for mineral title information. The Author also has a copy of an agreement dated October 5, 2020, between Homegold Resources Ltd. (Homegold, a corporation owned by Jo T. Shearer) and Prisma Capital Inc. that summarizes the terms of the agreement between them. The claims list in **Table 0-1** is based on a search of the BC Government

MTONLINE web site (<https://www.mtonline.gov.bc.ca/mtov/home.do>) on October 11, 2020. The Author has not verified the legal aspects of the ownership of the mineral claims nor the rights granted by the Government of British Columbia.

The Optionor (Shearer/Homegold) will be the initial exploration operator of the Property for year one and two. The Optionor will be directed in the work program by the Optionee (Prisma). The exploration work will be fully funded solely by Prisma.

The claims that are part of the option agreement are listed in **Table 0-1**.

The total area of the mineral claims is 3,764.17 hectares, which only define the rights to the subsurface minerals. Two of the claims' status are listed as GOOD and the rest are listed as PROTECTED. The PROTECTED status is a policy initiated by the government of BC to extend/delay the date of filing any Assessment Work required on many mineral claims due to the COVID-19 pandemic. The date to make cash in lieu or register Assessment Work on claims that have expiry dates before December 31, 2021 is extended to December 31, 2021 and are marked as PROTECTED on **Table 0-1**. The 2020 field work completed in October, will extend the expiry dates of some of the claims when an Assessment Report is filed.

The McGill Group of claims extends over 15 kilometres of distance from the southeast to northwest corners. **Table 0-1** summarizes the claim holdings.

Table 0-1 List of Claims in the McGill Project

Record Number	Claim Name	Area (hectares)	Record Date	Expiry Date	Status	Registered Owner
1065848	MCGILL 8	61.67	2019/JAN/18	2022/JAN/18	GOOD	J. T. Shearer
1065949	MCGILL SOUTH	102.82	2019/JAN/22	2021/JAN/22	PROTECTED	J. T. Shearer
1073427	MCGILL 10	246.57	2019/DEC/22	2020/DEC/22	PROTECTED	J. T. Shearer
1073432	MCGILL 11	41.11	2019/DEC/22	2020/DEC/22	PROTECTED	J. T. Shearer
1074019	MCGILL 20	41.14	2020/JAN/21	2021/JAN/21	PROTECTED	J. T. Shearer
1074020	MCGILL 21	411.40	2020/JAN/21	2021/JAN/21	PROTECTED	J. T. Shearer
1074021	MCGILL 22	699.62	2020/JAN/21	2021/JAN/21	PROTECTED	J. T. Shearer
1074022	MCGILL 23	205.84	2020/JAN/21	2021/JAN/21	PROTECTED	J. T. Shearer
1074547	MCGILL 25	205.66	2020/FEB/12	2021/FEB/12	PROTECTED	J. T. Shearer
1075219	MCGILL 26	617.66	2020/MAR/14	2021/MAR/14	PROTECTED	J. T. Shearer
1057727	ALICE MCGILL	20.55	2018/JAN/17	2022/JAN/17	GOOD	J. T. Shearer
1061863	ALICE 7	164.43	2018/JUL/18	2020/JUL/18	PROTECTED	J. T. Shearer
1061539	MCGILL	41.12	2018/JUL/03	2021/JUL/03	PROTECTED	J. T. Shearer
1061586	MCGILL 30	41.12	2018/JUL/06	2021/JUL/06	PROTECTED	J. T. Shearer
1061587	MCGILL 31	164.48	2018/JUL/06	2021/JUL/06	PROTECTED	J. T. Shearer
1061589	MCGILL 32	20.55	2018/JUL/06	2021/JUL/06	PROTECTED	J. T. Shearer
1061864	MCGILL 7	287.77	2018/JUL/18	2020/JUL/18	PROTECTED	J. T. Shearer
1061879	MCGILL 44	123.37	2018/JUL/20	2021/JUL/20	PROTECTED	J. T. Shearer
1065227	MCGILL 9	185.02	2018/DEC/21	2020/DEC/21	PROTECTED	J. T. Shearer
1074023	MVGILL 24	82.28	2020/JAN/21	2021/JAN/21	PROTECTED	J. T. Shearer
Total Area		3,764.17	hectares			

The share, cash and expenditure terms of the agreement between Homegold and Prisma to option the McGill Group claims is summarized in **Table 0-2**:

Table 0-2 Terms of the Option Agreement

Date	Shares	Cash Payments	Expenditures
On Signing	100,000	\$7,500	\$55,000
1st Anniversary	100,000	\$10,000	
2nd Anniversary	100,000	\$15,000	\$50,000
3rd Anniversary	200,000	\$30,000	
4th Anniversary	200,000	\$50,000	\$50,000
5th Anniversary	200,000	\$100,000	
Total	900,000	\$ 212,500	\$ 155,000
Plus there is a three percent Net Smelter Returns Royalty on future production. 1.5% of royalty can be purchased for \$1,000,000.			

There are no parks or Indian Reserves within the area of the McGill project but there are nearby Indian Reserves to the east in the Botanie Creek valley area and to the west and across the Fraser River as seen in Figure 0-2.

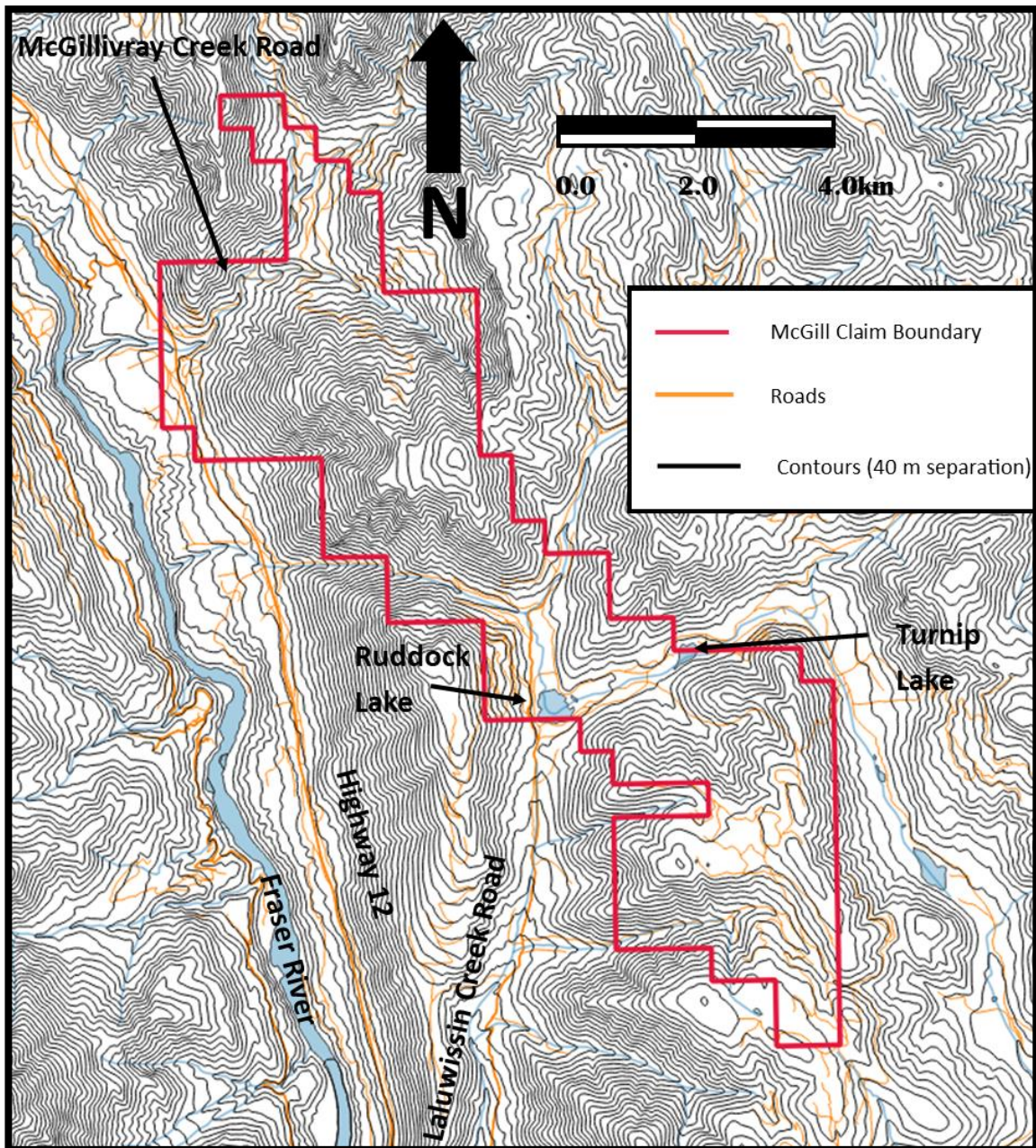
The mineral claims do not have any surface property rights but surface rights or leases can be acquired on Crown Land if a mineable deposit is defined. There are some private land holdings (surface rights) over various sections of the property mainly near Highway 12 in the north near McGillivray Creek and around the Ruddock and Turnip Lakes area. The Author has not confirmed the ownership rights of any of this land.

British Columbia is considered a geopolitically stable jurisdiction for mineral exploration claim ownership.

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, AND PHYSIOGRAPHY

Accessibility

The property is crossed, near the north end of the property, by Highway 12 between Lytton and Lillooet, BC. At Lytton Highway 12 meets Highway 1 with access to Vancouver and the Lower Mainland about two and a half hours drive and/or Kamloops about one and a half hours away. Both are full-service centres for the mining industry. Access to Vancouver, by Highway 99, is also available through Lillooet. The gravel



Source: BC GIS Data Website modified by SPB, 2020

Figure 0-4 Roads and Elevation Contours at the McGill Project

Laluwissin Creek Forest Service Road is accessed about 11 kilometres north of Lytton on the highway. The Laluwissin Creek Forest Service Road meets the highway southwest of the property near where Izman Creek crosses Highway 12. Lillooet is also about 30 kilometres further to the north on the highway. A network of logging roads allow access to the centre of the property with an extensive dirt bike trail network offering further opportunities to get into the distant parts of the property. Access is also available on the Botanie Creek road from just north of Lytton and a gravel road leaving Highway 12 just north of McGillivray Creek accessing the area near McGillivray Creek.

Climate

The climate for the property area around Lytton and Lillooet falls within the BC Interior Dry Belt. The area is free of snow for the majority of the year, and exploration can continue generally from about early-May until early-November. Due to the large vertical elevation differences the lower areas have a longer working season. The weather for Lillooet is summarized in Figure 0-5 which is at a similar elevation to the lowest areas of McGill. Drilling and mining can be undertaken year-round but roads will have to be ploughed for the winter especially at higher elevations.

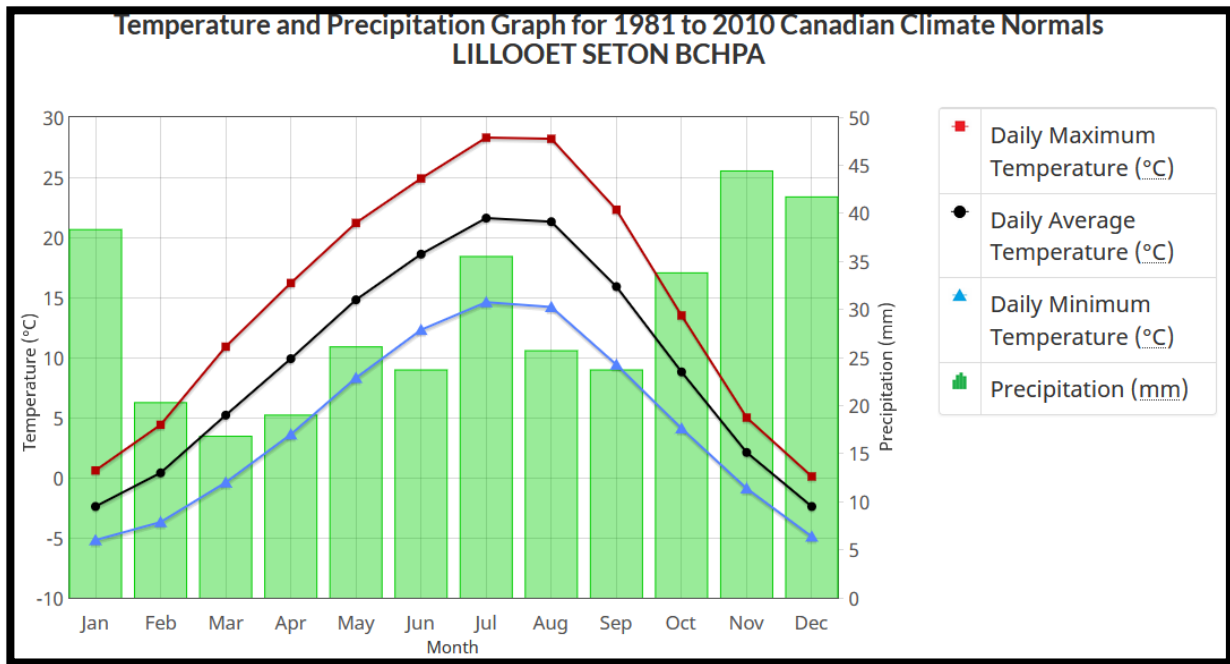


Figure 0-5 Climate Summary at Lillooet, BC

Local Resources

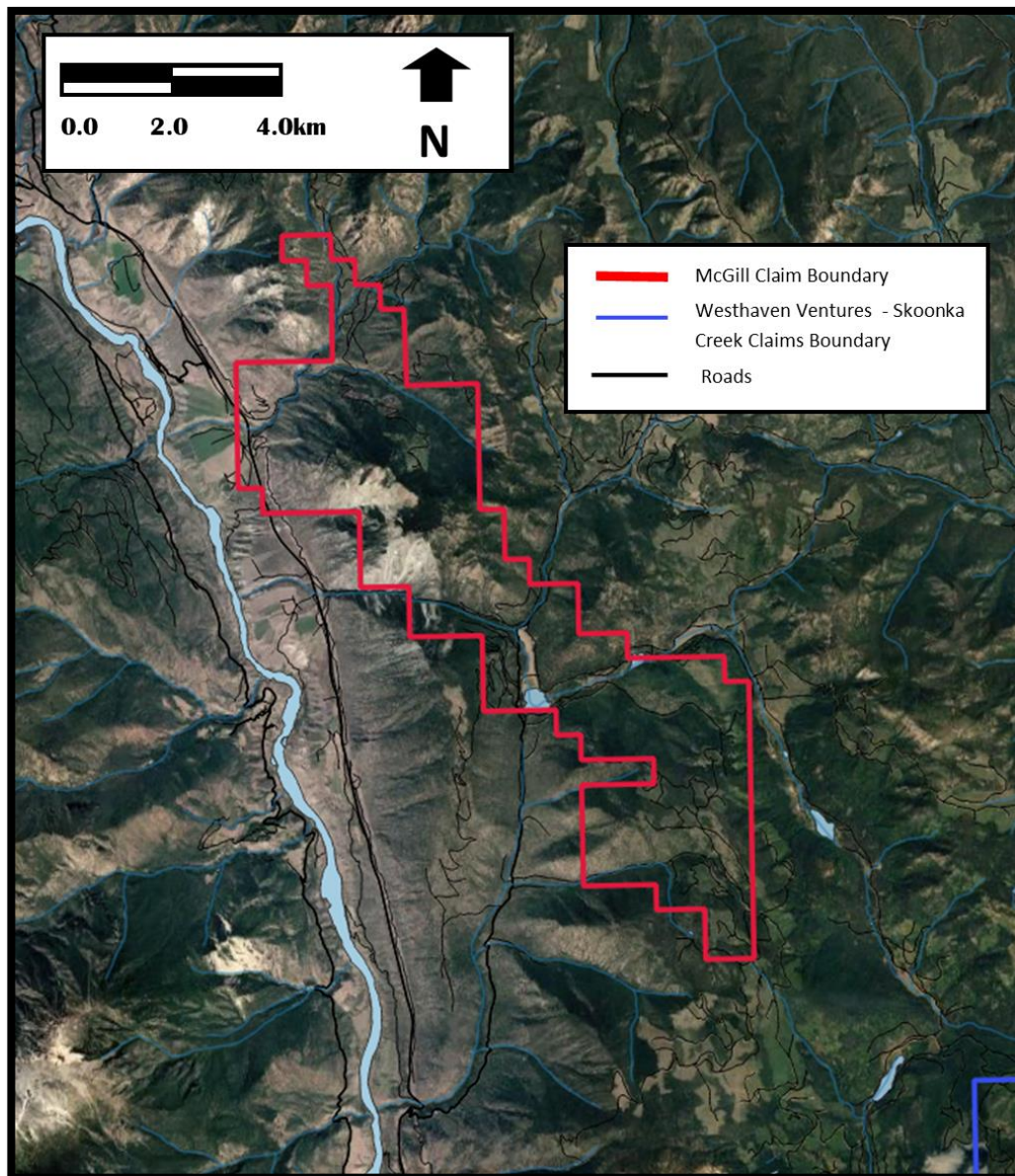
The town of Lytton is approximately 20 km to the south and the town of Lillooet is located approximately 20 km to the north. Both towns have retail, service suppliers, personnel and other facilities. Additional facilities and highly specialized equipment and personnel are available from either Kamloops or Vancouver, both within a four-hour drive.

There is sufficient flat and gentle surface land at McGill for potential mine infrastructure and year-round sources of water are on or near the property.

Infrastructure

Highway 12, with connections to Highway 1 at Lytton and Highway 99 at Lillooet, crosses the west side of the property in the McGillivray Creek area. Both Highways travel to Vancouver, about three hours away and Highway 1 to Kamloops is under two hours. There are also two transcontinental rail lines, CNR and CPR, in Lytton and another line of the CNR in Lillooet. High voltage powerlines parallel Highway 12 nearby and cross the western side of the property near McGillivray Creek. Local powerlines for residential use parallel Highway 12.

Physiography



Source: BC GIS Data Website and Google Maps modified by SPB, 2020

Figure 0-6 Aerial Image of the McGill Project area

The elevation on the property ranges from about 320 metres above sea level in the McGillivray Creek area to over 1,820 metres above sea level on an unnamed peak between Laluwissin and McGillivray Creeks. This results in a wide variation of vegetation and terrain.

Relief in the area is moderate-to-steep with pine and fir forests as well as lower areas with alder/birch and grassland present. Logging in the area has resulted in an extensive road system and large areas that have been clear-cut over the last 50 years.

HISTORY

The history of work at McGill is generally early-stage exploration and has not had any systematic rock sampling such as drilling or chip lines. The general locations of the showings are indicated on Figure 0-9 and Figure 0-11.

McGillivray and Alice Showings Area

In 1941 the Victory Claim was staked on the ridge between Luluwissin Creek and McGillivray Creek, according to Duffel and McTaggart, 1952. This is described to be located over the ridge located in the area where the work program of 2006 was done. It describes a north-westerly trending zone of faulting. There is a description of “inclusions” that are consistent with the body or bodies of altered volcanics seen in the 2006 mapping. It also mentions fine grained pyrite in a rusty fault zone.

In 1971 Cuda Resources, in Chisholm, 1972, did a copper soil geochemical and magnetometer study in the area of Luluwissin Creek and Highway 12 and south. Geological mapping of these areas was completed in August of 1972 by Asano 1972, for Colt Resources Ltd. (renamed from Cuda Resources). He has mapped generally northerly trending bands of altered Nicola volcanics within the Mount Lytton Complex diorite. The volcanics show varying levels of epidote and chlorite alteration. He correlates the magnetic highs to patches of gossan. There are several zones of copper mineralization described. The copper geochemistry and magnetometer survey were contoured in a general northerly trend. There is a special correlation between copper in soils and magnetometer highs.

D.C. Malcolm, 1976 undertook geological mapping of the McGillivray Creek basin between 1972 and 1976 for Acacia Mineral Development and notes:

“The main deposits occur at the summit of a ridge and along its flanks between elevations 4,500 and 5,000 feet. On the north side of the ridge a number of small hand trenches expose sheared and brecciated feldspar porphyry and altered limy volcanics. Five samples over an area 200 feet by 200 feet, averaged 0.42% copper.

A road has been built from McGillivray Creek to the lower part of the deposit on the north slope of the ridge. Trenches have been roughed out partly across the deposit at elevations 4,650 and 4,800 feet.

On the south side of the ridge, 1,500 feet south of these trenches, chalcopyrite occurs with magnetite in old trenches and malachite-stained feldspar porphyry forms a slide in a dry gulch. One picked sample assayed 0.37 oz. silver, per ton and 7.16% copper.

On the road, at elevation 3,300 feet, a porphyry dike was exposed. Chalcopyrite bearing limestone breccia float occurs near it.

Pyritic deposits occur over a large area east of the porphyry dikes and extend across the claims. Two outcrops have been sampled and assayed 0.095% and 0.15% copper.”

The area described by Malcolm is consistent with the area that was the focus of the 2006 to 2014 study at McGill.

A geochemical program was completed in 1978 and reported in White, 1978 for Acacia Minerals. This is centred in the same basin as the 2006 to 2014 work programs of Atocha. His conclusions read:

“The limonite gossans exposed in the southern portion of the survey area have a strong copper zinc geochemical expression which indicates they are part of a northerly trending mineralized zone.

They are heavily pyritized appear to be associated with a series of andesites, dacites, limestone breccias and tuffs. A strong copper, lead, silver and zinc anomaly occurs at 9 / 60s - OE at the head of a small stream which is seeping an alumina-rich white powder.”

In 1983 Ryan Energy undertook an 80-line kilometre VLF – EM and Magnetics airborne survey Pezzot and White, 1983 over the ACE 1 to 8 claims in the McGillivray Creek basin that was the area of focus of the 2006 to 2014 work. The resulting 1983 magnetic lows were interpreted as:

“Two northwest-southeast trending magnetic lows are evident across the survey area. One follows a geologically defined fault across the southwest corner of the claims area. The second follows McGillivray Creek. Terrain clearance effects across the valley formed by McGillivray Creek are not influencing the magnetic field intensity in this area and it is likely that another fault is present.

A north-south trending magnetic high correlates with a mountain ridge on the east side of McGillivray Creek. No geological evidence of a lithology change is reported in this area. The magnetic data may be reflecting an unmapped facies change within the volcanic unit; possibly a dioritic phase or simply an increased content of higher magnetic susceptibility materials. A closed magnetic high located on line 20 immediately west of this ridge is likely an outlier of the same rock unit.”

The VLF EM from the 1983 report is reported as:

“The VLF-EM data is presented in profile form over the same topographic and geological base map used to illustrate the magnetic contours. The Seattle frequency data ... shows a subtle shift in the field intensity which correlates with the G.S.C. defined fault crossing the southwest corner of the survey area. In addition, the northwest-southeast trending belt of limestone is reflected as a slight conductivity increase. This response extends further south than the unit as indicated by D.C. Malcolm.”

In 2006 a report by Shearer, 2006 in the McGillivray Creek area, on the McGillivray Group of claims and within the area of the present McGill claims, outlines the work program consisting of prospecting and soil/rock sampling with a total of 453 soils and 40 rock samples collected. There were a number of copper in soil anomalous areas identified. The area to the northeast of the gossanous landslide and nearby was the focus of this program.

In 2009 a program of excavator trenching, geochemistry and prospecting was completed on the McGillivray Property as recorded in Shearer, 2009. A number of anomalous samples were uncovered and the geology was better defined.

The 2011 program, reported in Shearer, 2011, consisted of geological mapping, prospecting and collecting 95 samples.

In 2012 a program air-photo interpretation was completed and reported in Shearer, 2013. A significant number of lineaments were identified in the area. The regional airborne geomagnetic data was also reviewed.

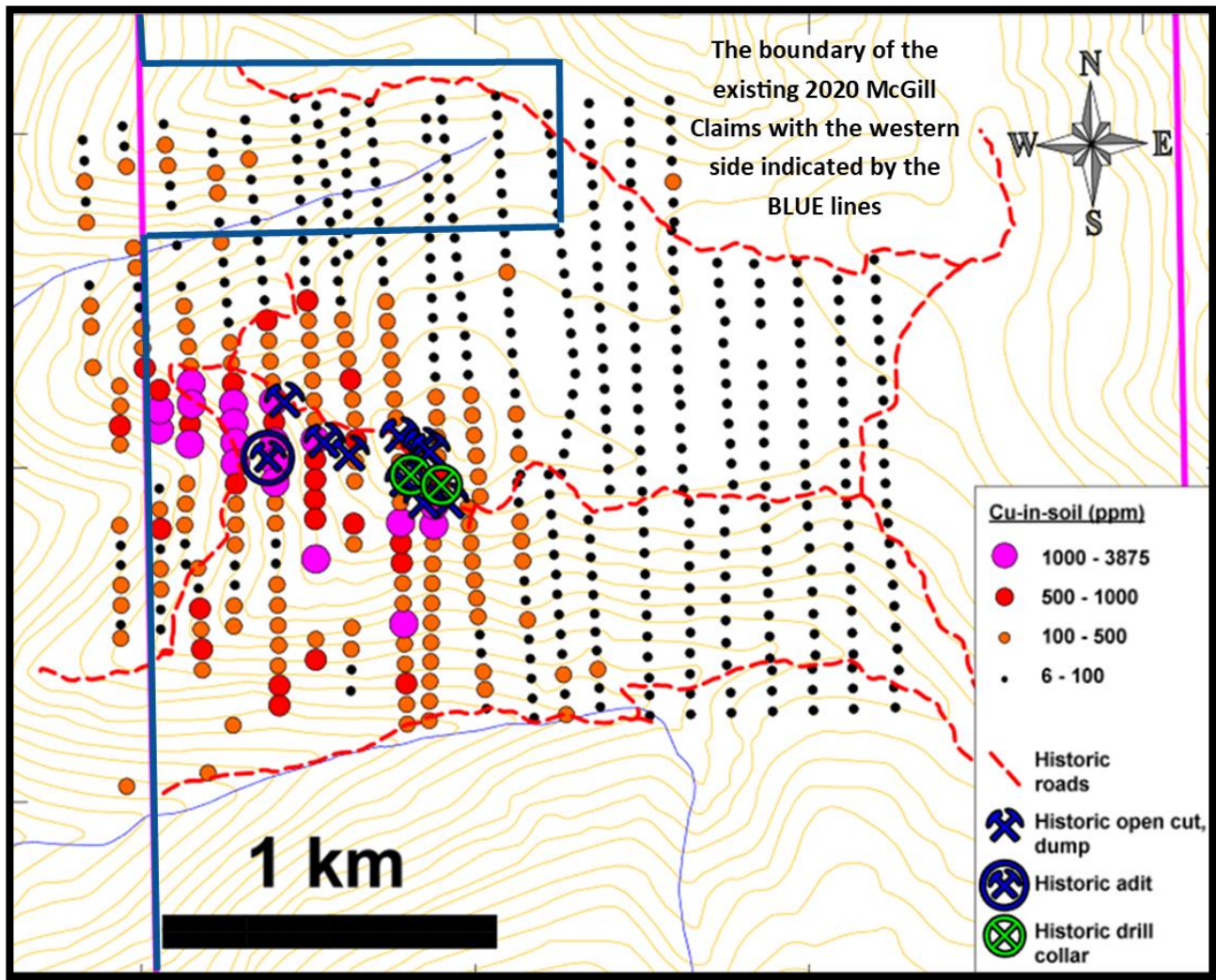
The McGillivray claims were re-staked in 2013 and 2014. Work in 2014, Shearer, 2014, consisted of prospecting and geological mapping and assays with a portable XRF to quantify geochemical trends. Samples analysed contained up to 842 ppm copper. The McGillivray claims expired in 2017 and 2018.

From 2018 to 2020 the McGill and Alice claims were staked which included the former McGillivray Creek area and extending south to include the Bob showing. Shearer 2019 outlines a program of continued rock geochemistry and a ground magnetometer study with traverses in the lower elevations of the property. These are the present McGill Group of claims.

Bob Showing Summary

- 1915 underground workings (Bob/Cop claims).
- Bob area claims held continuously until 1970 when acquired by Santana International.
- Santana expanded tenures and constructed access roads to main showings and carried out considerable trenching.
- Claims optioned to El Paso Mining and Smelting Co.
- Claims dropped that year.
- Staked by Mr. R. Hurley and partner to cover the main mineral showings.
- Apparently, Hoko Exploration was not aware of the existence of the Bob claims when staking the CM claims in August 1975.
- Hoko attempted a Winke drilling program in 1976 that was unsuccessful due to inadequate size of the drill to overcome fractured and broken rock.
- Claims staked by Bitterroot Resources Ltd. in 2005.
- Bitterroot conducted exploration in 2007.
- Claims allowed to lapse in September 2013.
- SPIN claims staked by Pacific Empire Minerals, September 2013.”
- Pacific Empire Minerals completed an historic data summarization and limited field work of prospecting and sampling in 2014. The claims lapsed in April 2015.

There are multiple soil geochemical surveys that include extensive anomalous areas of copper and other elements. Gold was not generally analysed in the copper porphyry exploration of the 1960s and 1970s.



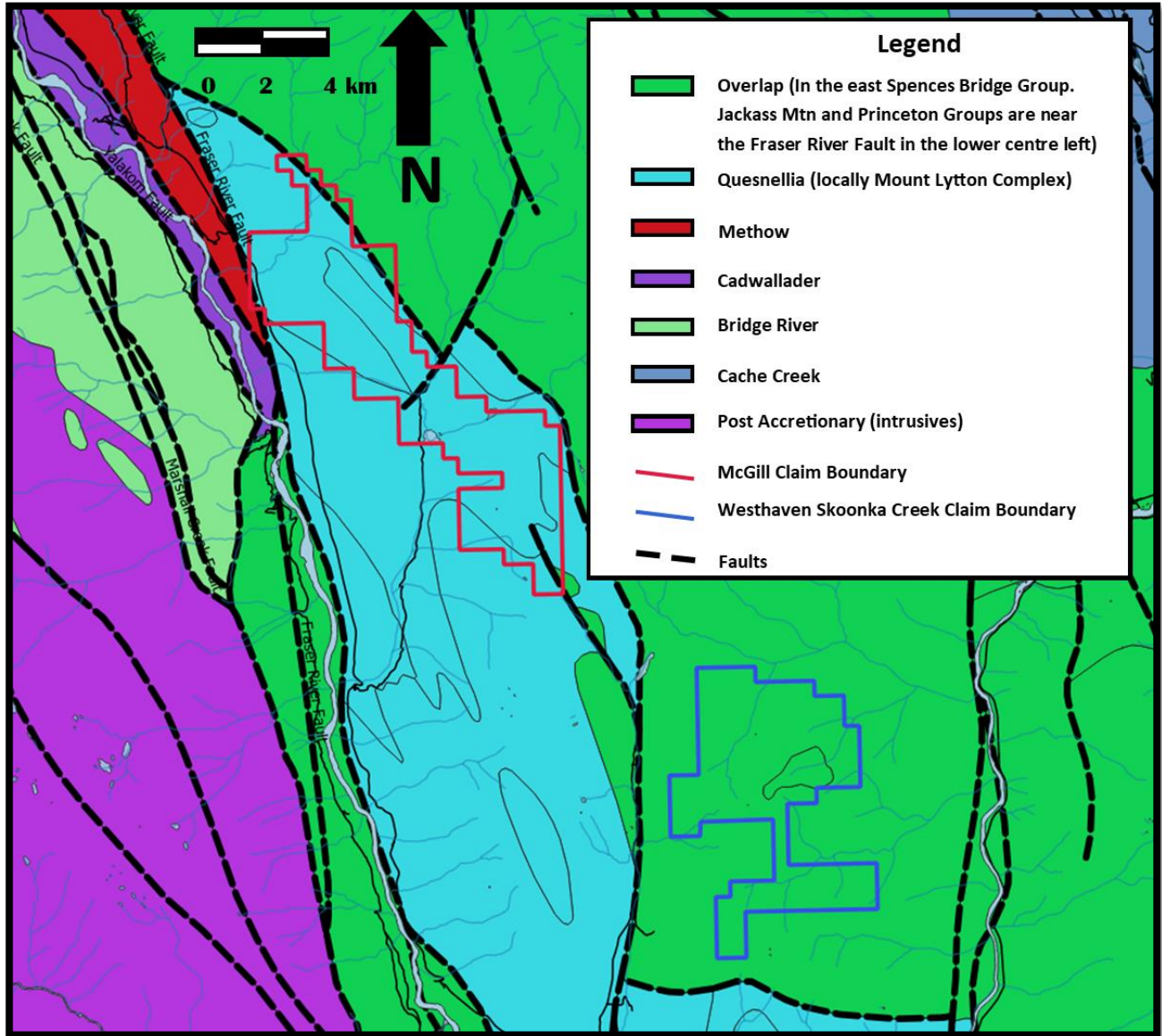
Source: Peters and Ritchie, 2014 modified by SPB, 2020

Figure 0-7 Summary of Historic Work at Bob

There is no known mineral production or Mineral Resource Estimates on the McGill Property.

GEOLOGICAL SETTING and MINERALIZATION

Regional Geology



Source: BC Geological Survey Branch - Geological Map of BC, 2018 modified by SPB, 2020

Figure 0-8 Geological Terranes in the McGill Property Area

The McGill property is within the geological Intermontane Belt as represented locally by the Quesnellia, Overlap (generally Spences Bridge Group) and Cache Creek Terranes. The Quesnellia Terrane, which underlies most of the McGill claims, contains low grade metamorphic pieces of mixed oceanic and continental plates that accreted to North America in the early Jurassic. The Overlap Terrane, of the Spences Bridge Group, is a Lower Cretaceous volcanic terrane that is seen on the east side of the McGill property as well as fault slices in the centre of the Mount Lytton Complex which is part of the Quesnellia Terrane. See Figure 0-8. The ground to the west of the McGill property is across the regional scale Fraser River Fault, with over 100 kilometres of offset of the rocks on

the west side to the north. The geology to the west of the fault is unrelated to the geology and mineralization on the McGill property.

The Quesnellia Terrane (Figure 0-8) is characterized by a Late Triassic to Early Jurassic magmatic arc complex that formed along or near the Western North American continental margin. Additional terranes to the west are part of the Coast-Cascade Belts such as the Bridge River, Methow, Cadwallader. Towards the west, the Quesnellia Terrane is in fault contact with the Cadwallader, Methow and Bridge River Terranes along the Fraser River Fault.

Tertiary age regional faulting controls the general pattern of the major geological groups in this part of British Columbia (Monger & McMillan, 1984). These faults are generally right lateral offset and trend north or north-north-west, including the regionally large offset on the locally Fraser River fault. The contacts between the Mount Lytton Complex and Spences Bridge Group are part of this fault system style.

Monger et. al., 1989 summarizes the local deformation as:

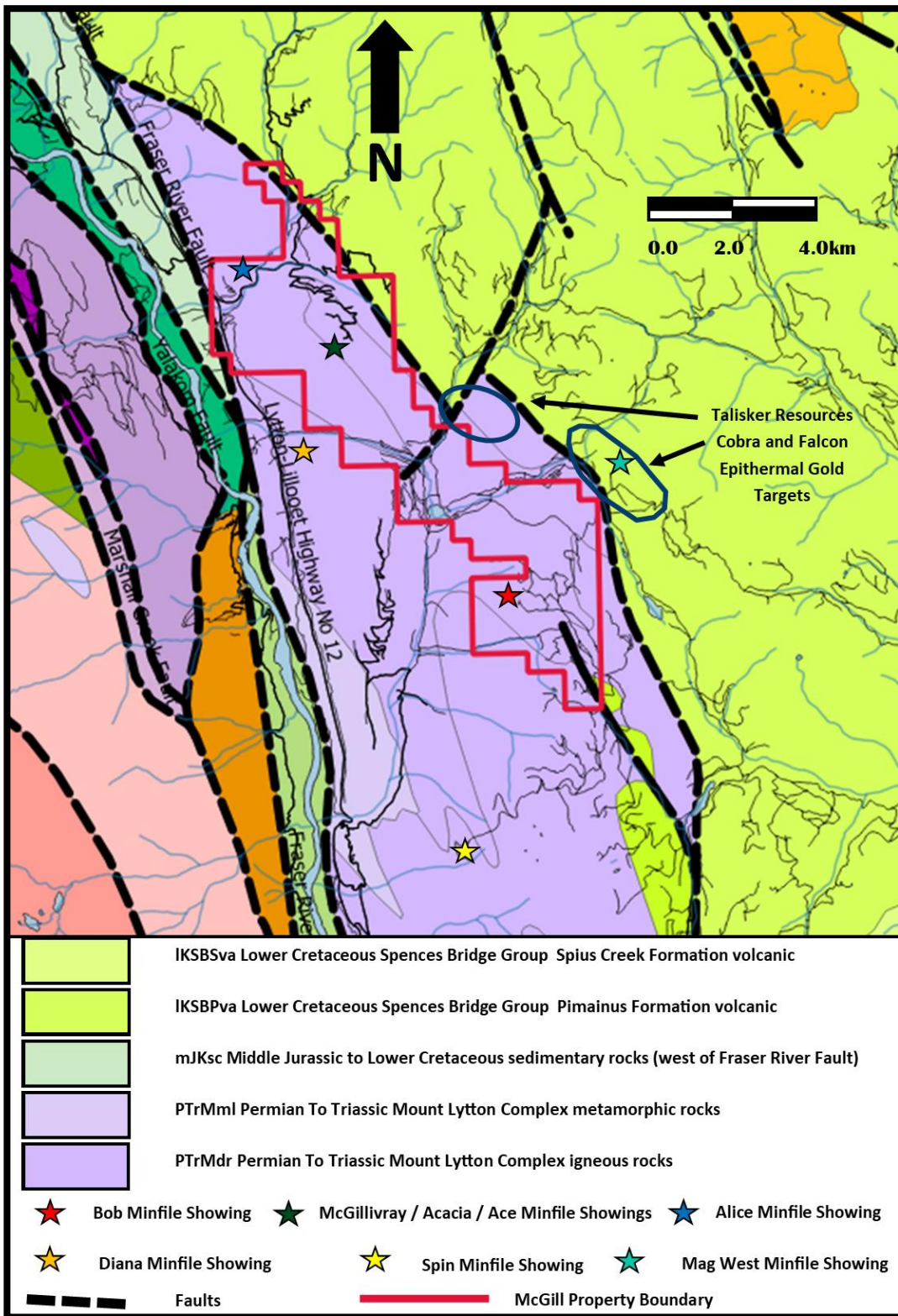
“The fabric of metamorphic rocks of the Mount Lytton Plutonic Complex ... is cut by granitic rocks that yielded Lower Jurassic K-Ar dates and the complex is stratigraphically overlain by Cretaceous strata (including Spences Bridge Group). That fabric is possibly early Mesozoic, for lithological similarities suggest that the metamorphic rocks may well be derived from the Nicola Group.”

There is an age date of a tonalite, near the highway just west of the McGill property, within the Mount Lytton Complex that returned an age date of 250 million years ago as reported in Friedman and van der Heyden, 1992. This 1992 paper also correlates the geological offset along the Fraser River Fault. The offset is defined between the Mount Lytton Complex, which underlies the McGill property, to the Farwell Pluton in the Williams Lake area located on west side of the fault a distance of over 130 kilometres.

Local Geology

There are two major rock formations on the property. The first is dioritic and granodioritic intrusives of the Permian to Triassic age Mount Lytton Complex (MLC) which also includes small bodies of altered sediments and later dykes. The other major unit is the younger altered Lower Cretaceous andesitic volcanics of the Pimainus Formation, part of the Spences Bridge Group (SBG). The SBG outcrops on the eastern side of the claims, as well as fault-controlled bands as inliers in the diorite near the eastern side of the McGill property. The MLC unit is mapped (see Figure 0-9) to underly much of the property but the Author's site visit uncovered several small fault-bounded bands of possible Pimainus Formation within the area regionally mapped as MLC. This style is locally reported in other historic reports including Monger et. al., 1989 at the south end of the McGill property. The geology is no doubt more complex than depicted in Figure 0-9. The report by Monger et. al., 1989, that is a detailed description of the geology in Figure 0-9, indicates as well that there is a significant number of small dioritic intrusive bodies assigned to the late Triassic Nicola intrusives within the MLC. These are conceivably feeder stocks of the Nicola Group volcanics which Monger, et. al., 1989 has suggested the MLC is the deeper portion or roots of these volcanics.

The regional Fraser River Fault, a major north-north-westerly trending structure, is located on the western boundary of the McGill property in the north end. This strike slip fault may have 135 to 160 kilometres of dextral strike slip as noted in Read, 2000 and Friedman and van der Heyden, 1992. Due to this fault offset



Source: BC Geological Survey Branch - Geological Map of BC 2018 modified by SPB, 2020

Figure 0-9 Geology of the McGill Property area

the rocks to the west of the Fraser River Fault are not geologically related to the units found on the McGillivray property and the geology and mineral deposit types and claims to the west are not generally reported by this Author.

The close spatial relation of the McGill property to the Fraser River fault has likely influenced the geological units and the mineralization on the property. The strong northerly trending faulting that separates the MLC and the SBG, sub parallel to the Fraser River Fault are likely related. As well, deep faults like the Fraser River Fault system have acted as conduits for deep hydrothermal fluids in other geological regions and influenced local metal deposition.

There are bands of fault-bounded northerly trending altered volcanics that have been mapped as gneisses and schists by Duffell and McTaggart, 1952 and assigned to the Permian aged Cache Creek Group. On the later geological map by Monger, et. al., 1989, (Figure 0-9) there are gneisses and schists defined in the southern end of the property but not noted in the north end where the 1952 map had them. These volcanic bands extend over the ridge between Luluwassin and McGillivray Creek and were mapped near Highway 12 (Asano, 1972) as well in the basin near McGillivray Creek to the northeast, Shearer, 2006. Locally the alteration was observed to be argillic to kaolinitic with the intensity of alteration varying greatly. These are possibly fault-bound slivers of the Pimainus Formation volcanics of the Spences Bridge Group within the Mount Lytton Complex as locally defined in the south end of the property in Monger, et. al., 1989.

Stewart and Gale, 2006 mapped the Pimainus Formation in the area of the Falcon Target, much further west than shown in Figure 0-9 and extending well onto the McGill property. This map location of the Pimainus Formation is likely based on more detailed field work in this area than Monger, et. al., 1989. One of the contacts found by the Author, with anomalous copper in soil values, may alternatively be the western edge of the Pimainus Formation contacting the Mount Lytton Complex.

Local Mineralization

There are five BC Geological Survey Branch MINFILEs on the McGill property. MINFILEs are government authored geological summaries of mineral showings and deposits in BC. The location of these zones and others nearby is summarized on Figure 0-9.

The copper mineralization is largely disseminated and shear related copper and silver-lead with some, zinc and gold reported. Strong lineations were seen on the ground during the Author's 2006 property visit and in the contour maps. These are probable fault-boundaries to the altered volcanic units within the Mount Lytton Complex intrusives as described in several historical reports. The high level and large surface extent of alteration seen indicates a strong hydrothermal system with the resulting gossanous and clay rich alteration. This alteration was evident as the Author walked the property in 2006 as well as seen in the large landslide visible from the highway. The Acacia North, Acacia South and Ace MINFILEs all occur in the area of the 2006 to 2014 exploration in the north end of the McGill Property. This area is noted by a dark green star in Figure 0-9.

There are reports of porphyry copper style veining, skarn and brecciation in the Bob showing area as noted in Peters and Ritchie, 2014. This area is noted by a red star in Figure 7 2.

The Alice showing is a narrow tetrahedrite or tennantite vein with a small adit. (Cardinal, 2020 and White, 1980) that has been visited repeatedly. This area is noted by a dark blue star in Figure 7 2

The eastern side of the property has Spences Bridge Group rocks with the potential for low-sulphidation epithermal deposits as seen at the Skoonka Creek claims (seen in the lower right of Figure 0-8) of Westhaven Ventures and the epithermal targets identified by Talisker Resources (seen in Figure 0-9 and Figure 0-1). There is

limited historic work at McGill for these possible epithermal gold deposits. Most historic work within the McGill Property was focused on the porphyry copper deposit targets and gold was not historically analysed for in these studies.

The length and continuity of any zones is poorly described in the historic literature and further work is required to understand these parameters.

DEPOSIT TYPES

There are two major deposit types targeted on this property plus a possible alternative style:

- copper-gold porphyry within the Mount Lytton Complex intrusive rocks
- epithermal precious metals within the Pimainus Formation volcanic rocks of the Spences Bridge Group
- plus, a unique possible minor type at the Alice deposit

The early exploration of this property was for copper with copper porphyry targets investigated through the 1970s to 1990s within the Mount Lytton Complex intrusive rocks. Copper porphyry targets were very favourable following the discovery of several large deposits in British Columbia and the improvements in technology to economically mine these deposits. Most of the early geochemistry was for copper or copper and zinc, with little evidence of precious metal or multi-element analyses in these projects. In the early 2000's the low-sulphidation epithermal gold-silver potential of the Spences Bridge Group was recognized and actively explored with this exploration continuing to today which is located on the eastern side of the McGill property.

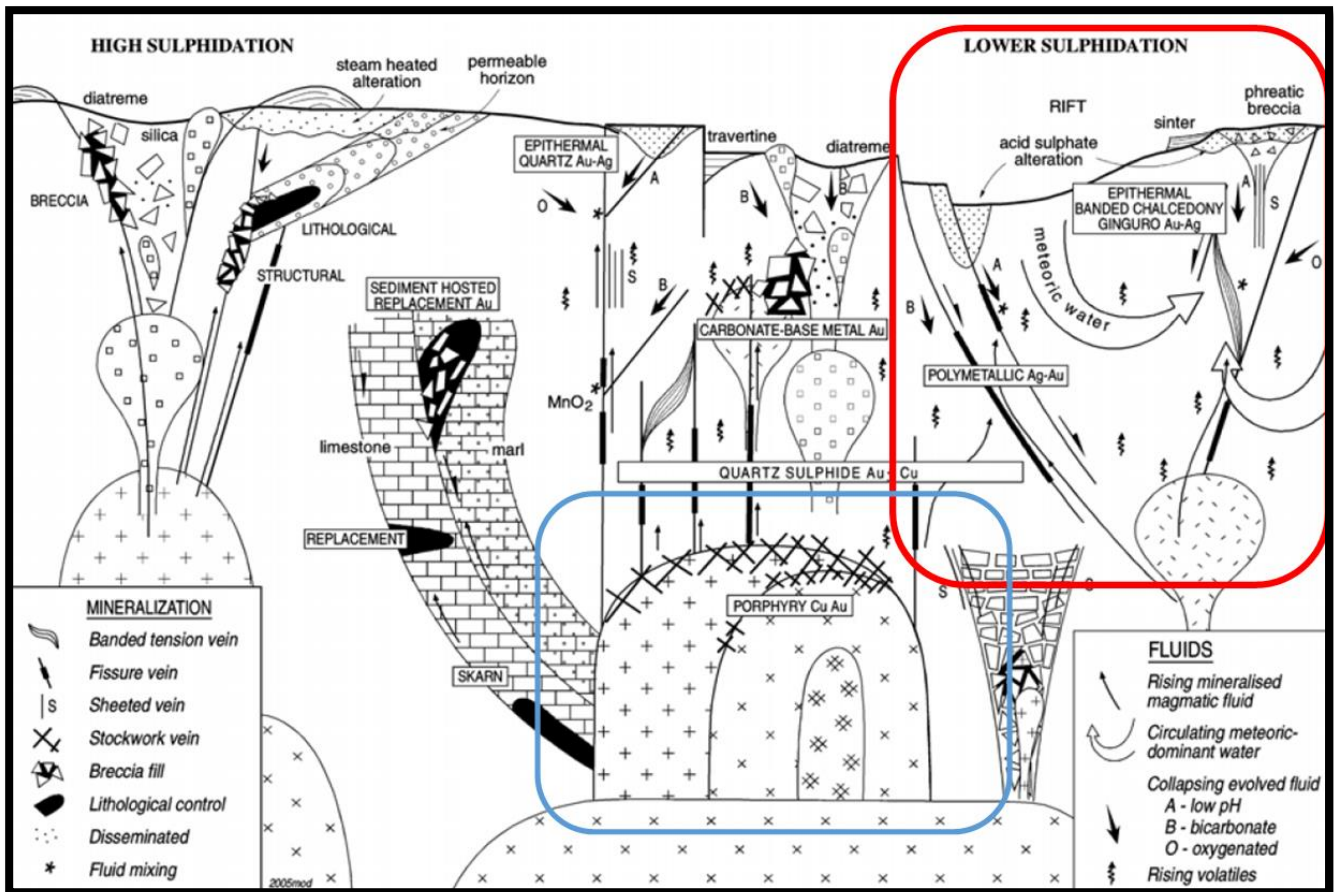
The primary target deposit type on the McGill property is a porphyry copper deposit which is targeted within the rocks of the Mount Lytton Complex intrusive rocks. The alteration patterns described below are commonly used as a vector toward the highest mineralized zones. The field mapping completed in 2006 and later mapping and studies referenced in this report is focused on the alteration and mineralization for a porphyry copper deposit. Historic work at Bob and the McGillivray Creek area was focused heavily on the copper porphyry potential. **Figure 0-10** from Corbett, 2005, indicates an idealized cross section of the general; areas of formation of a porphyry copper deposit (within the blue box).

The following summary is sourced from Panteleyev, 1995”

“Copper, molybdenum and gold are generally present but quantities range from insufficient for economic recovery to major ore constituents. Minor silver is found in most deposits and rhenium was recovered from the Island Copper mine on Vancouver Island.

The deposits are generally stockworks of quartz veinlets, quartz veins, closely spaced fractures and breccias containing pyrite and chalcopyrite with lesser molybdenite, bornite and magnetite occur in large zones of economically bulk-mineable mineralization in or adjoining porphyritic intrusions and related breccia bodies. Disseminated sulphide minerals are present, generally in subordinate amounts. The mineralization is spatially, temporally and genetically associated with hydrothermal alteration of the hostrock intrusions and wallrocks.

Porphyry deposits contain the largest reserves of copper and significant molybdenum resources and close to 50% of the gold reserves in British Columbia.”



Source: Corbett, 2005 (with low sulphidation epithermal in a red box and porphyry copper in a blue box)

Figure 0-10 Epithermal and Porphyry Copper Deposit Type Model Cross Section

The other major deposit type at McGill, and seen on the east side and possibly in fault-bound slices of the Mount Lytton Complex of the claims, is within the volcanics of the Spences Bridge Group rocks. It is a low-sulphidation epithermal precious metals system. The local geology is predominantly felsic and intermediate sub-aerial and flow volcanic rocks in an extensional and strike-slip structural regime. This is a preferred environment for these deposit types. Epithermal deposits are created in the near surface portion of hydrothermal systems that can include surface hot springs and deeper hydrothermal fluid-flow zones. These can be locales for precious metal mineralization. Mineral deposition takes place near the surface in the zones where the hydrothermal fluids undergo cooling by one or more of the following: fluid mixing, boiling, and/or pressure loss. An illustration of a typical system is shown in **Figure 0-10** with the low-sulphidation deposition zone identified on the right-hand side of the diagram circled in red.

In the BCGS summary of deposit types (Panteleyev, 1995) the following summary of a low-sulphidation epithermal precious metal deposits indicates:

“Quartz veins, stockworks and breccias carrying gold, silver, electrum, argentite and pyrite with lesser and variable amounts of sphalerite, chalcopyrite, galena, rare tetrahedrite and sulphosalt minerals form in high- level (epizonal) to near-surface environments. The ore commonly exhibits open-space filling textures and is associated with volcanic-related hydrothermal to geothermal systems.”

Cardinal, 2020, suggests a possibly unique third type of mineralization in the Alice area, at the north end of the property, that does not match any of the conventional mineral deposit models well. He describes it as “possibly a copper (silver)-bearing, iron carbonate(+quartz-calcite-kaolinitic) breccia (diatreme-like), volcanic hosted stratabound-related exploration model.” White, 1980, mapped in this area as well. If exploration of this area is undertaken in the future this unique possible style should be kept in mind.

EXPLORATION

In 2020, a multi stage field exploration program was completed in October focused on the areas noted in Figure 0-11. The Author spent two and a half days in the field with the assistance of John Grabovac, prospector, focused on the higher areas near the eastern boundary of the property. One of these days was spent in the company of the property vendor, Jo Shearer as well. It was snowing during much of the Author’s visit, that ended earlier than planned due to the weather, and this made it difficult to see all the geology so a limited number of rock samples were collected during the visit. The rock samples collected had negligible quantities of economic elements. The Author also collected 16 soil samples during the traverses and located copper in soil anomalies, all proximal to presumed contacts between the Pimainus Formation volcanics and the Mount Lytton Complex porphyritic intrusive rocks.

It was noted on these 2020 traverses by the Author that there are several fault-bounded slices of the Pimainus Formation volcanic rocks within the Mount Lytton Complex intrusive rocks. The geological map by Monger, et. al., 1989 of the Geological Survey of Canada seen in Figure 0-9 does not include the slices of volcanic rock reviewed in the Author’s visit, due to the regional nature of the mapping done to develop these maps. There are likely more fault-bound slices of these volcanic rocks to be defined in future detailed geological mapping. Duffell and McTaggart, 1952 has a fault in the area of where the traverses were completed with a similar trend as suggested by the Author, but mapped the volcanic units as part of the older Permian aged Cache Creek Group.

There was also a two-day field review of the McGillivray Creek area, specifically focused on the Alice Claim area, by Dan Cardinal, P.Geo. (Cardinal, 2020). He noted that the mineralized zones in the Alice area and a comparison to the copper porphyry and epithermal gold mineralization elsewhere on the property as:

“The mineralized host rock, alteration and structural features associated with the copper zone may be somewhat more unique consequently, the author believes the Alice copper zone requires re-interpretation and consideration taken to develop an exploration mineral model that will best fit more an ‘Alice type’, possibly a copper (silver)-bearing, iron carbonate(+quartz-calcite-kaolinitic) breccia (diatreme-like), volcanic hosted stratabound-related exploration model.”

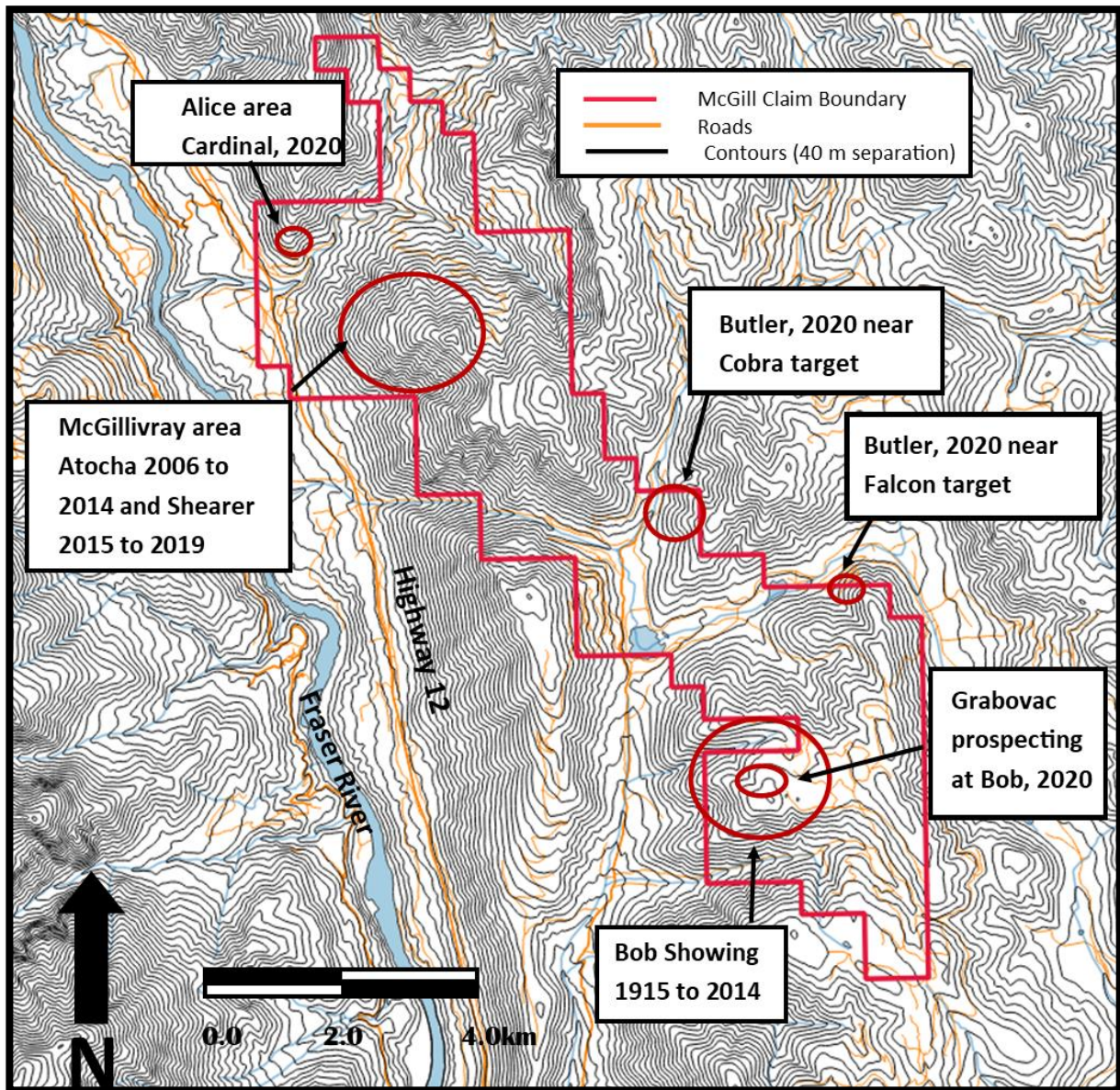


Figure 0-11 Areas worked in 2020 and past exploration locations

Later in October, Jo Shearer, P.Geo., property vendor, and John Grabovac, prospector, returned for further prospecting and sampling following melting of some of the earlier snow. During this program Grabovac went to the Bob showing area on the top of the mountain. He collected multiple grab rock samples generally selected for the presence of sulphide minerals. These rocks were spot analysed by Jo Shearer using a using an XRF Unit. The XRF was factory calibrated (Cert No. 0154-0557-1) on October 30, 2013, numbered as Instrument #540557, and type Olympus DPO-2000 Delta Premium. The grab sample values recorded were mainly low-grade copper in many samples but four samples analysed between 7.62% and 10.68% copper on spot analyses. This method is open to sample bias due to the highly localized area of analysis inherent in the XRF tool. Grab samples were also selected for highly mineralized zones and not necessarily be indicative of a larger area. These samples should be considered as samples of potential localized high value and not of the general nature of a potential porphyry copper-gold deposit at McGill.

DRILLING

In 1976 Hoko attempted to complete small core diameter, Winke diamond drill holes on the Bob showing. They could not get through the broken ground due to the small size of the core and the low powered drill. Very limited sampling was done with no significant values returned. Prisma Capital has done no drilling on the McGill property.

SAMPLE PREPARATION, ANALYSES AND SECURITY

This project is still in an early stage of exploration despite the seemingly large body of field work. Most of the historic sampling has been soil sampling with limited rock sampling and local ground magnetometer studies and localized trenching. The work so far has generally been to develop more advanced targets for methods such as trenching and drilling. These target generation programs are more of a qualitative comparison like programs.

Some of the 2020 samples were analysed by the use of the XRF unit as described in Section 9 of this report. This method is quick and can be used for random checks, but the nature of the analysis is on a very small localized area of the rock (spot) and may not be indicative of the larger rock. It is often adequate for qualitative analysis but not to be generally depended on for quantitative work such as in Resource Estimation or similar studies.

A set of rock and soil samples were collected in the field by the Author and were hand delivered to ALS Global, Geochemistry Laboratory in North Vancouver, BC. This ALS Laboratory meets the requirements and is accredited to International Standards ISO/IEC 17025:2017.

The methods used for analysis and sample preparation are summarized in Table 0-1.

Table 0-1 Analysis and Preparation of Samples

ALS Geochemistry Laboratory		
Activity	Method Code	Comments
Soil Samples		
Sample Preparation	PREP-41	Dry at <60°C/140°F, sieve sample to -180 micron (80 mesh). Retain both fractions
Gold Analysis	Au-ICP21	Au by fire assay and ICP-AES
Other Element Analysis	ME-MS41	Aqua Regia digestion with ICP-MS Finish
Rock Samples		
Sample Preparation	PREP-31	Crush to 70% less than 2mm, riffle split off 250g, pulverise split to better than 85% passing 75 microns
Gold Analysis	Au-ICP21	Au by fire assay and ICP-AES
Other Element Analysis	ME-MS61	Four Acid digestion With ICP-MS Finish

The rock samples collected on site returned low copper and gold values. There were anomalously high copper and other metal values in the soil geochemistry located near contacts between the volcanic and intrusive rocks.

The sample preparation, security, and analytical procedures used historically is adequate for a project at this early stage of development.

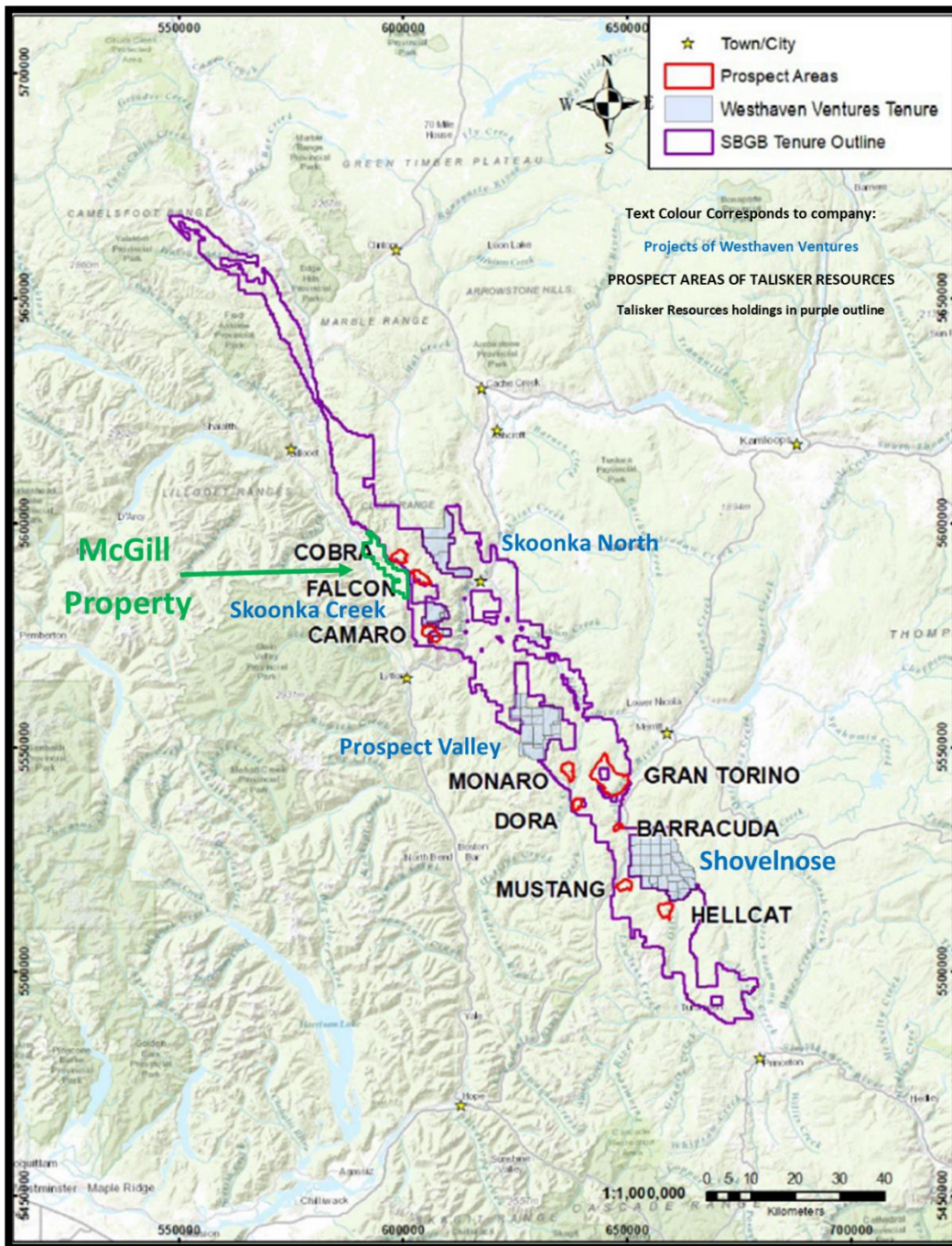
MINERAL PROCESSING AND METALLURGICAL TESTING

There is no known metallurgical or mineral process testing at the McGill project.

MINERAL RESOURCE ESTIMATES

There have been no Mineral Resource Estimates at the McGill Project.

ADJACENT PROPERTIES



Modified by SPB from Talisker Resources March 2020 Presentation

Figure 0-1 Adjacent Properties to McGill

The 222-kilometre-long “Spences Bridge Gold Belt” project of Talisker Resources is immediately adjacent to the east as seen on their website <https://taliskerresources.com/greenfields-projects/#spences-bridge> and reproduced in Figure 0-1. Talisker has undertaken regional scale exploration in 2019 along this belt and begun to focus down in 2020 on the targets as depicted in red in Figure 0-1. This project is targeting the epithermal gold mineralization defined by Westhaven Ventures in the Spences Bridge Group rocks in multiple locations including the nearby Skoonka Creek and Skoonka North properties as seen in Figure 0-1. Drill related intercepts at nearby Skoonka Creek include 20.2 g/t gold over 12.8 m (in SC-008) and 28.6 g/t gold over 3.31 m (in SC-007) as noted at <https://www.westhavengold.com/projects/skoonka-creek-gold/details/>.

The Author has been unable to verify the information on the properties of Talisker Resources and Westhaven Ventures and that this information is not necessarily indicative of the mineralization on the McGill property.

The Spin prospect, adjoins McGill to the south. It is an early-stage prospect with stream and soil sampling and geological mapping. Work here was last summarized in Peters and Ritchie, 2014, when grouped with the Bob showing. The Diana showing, located to the west near Luluwassin Creek and Highway 12, is a porphyry copper gold prospect with limited historic work. Both of these Showings are seen in Figure 0-9.

The Fraser River fault to the west of McGill property has about 135 to 160 kilometres of offset to the north, and the properties to the west of this fault are in geology unrelated to the McGill property.

OTHER RELEVANT DATA AND INFORMATION

There is no further information known to the Author that is relevant to his report .

INTERPRETATION AND CONCLUSIONS

There is an extensive history of exploration on the McGill property extending back to at least 1915. The region is prospective for copper and precious metal mineralization in various areas. The infrastructure and access are good for exploration and potential mining.

The McGill property is an early-stage project with two major target types of metal mineralization. The first is the potential for porphyry copper type deposits in the Mount Lytton Complex (LTC) intrusive rocks of the west and central part of the property. On the east side is a fault-bounded section of the Spences Bridge Group (SBG) volcanic rocks with the potential for low sulphidation epithermal gold deposits. There are also fault-bounded slices of the SBG volcanic rocks in the LTC as seen by the Author in the field with epithermal potential or possibly fault contact mineralization related to remobilization of the porphyry copper metals.

Significant structural complexity exists on the property, and regional northeast trends are recognized in the geophysics, local geologic mapping and by the Author in the field visit. Propylitic and phyllic alteration is evident over large areas on the McGill Property. Further geological mapping and prospecting for lithology and alteration is required.

The historic soil geochemistry is significant although not always systematic, with several discrete large copper-in-soil anomalies in various areas, including at the Bob showing and the McGillivray Creek areas. Many of these values could be characterized as highly anomalous.

There is an extensive gravel road network for access to many parts of the property. This should make permitting easier and exploration less expensive. Some local upgrades will be necessary but the routes are developed.

There has been no drilling on the property other than two failed holes at the Bob showing. There are some short adits at the Bob and Alice showings that have not defined significant zones, possibly due to the limited length.

The McGill property is largely underlain by the Mount Lytton Complex, a system of intrusives with younger dykes and fault-bounded segments of volcanics, that has been under-explored and deserves further exploration for copper-gold mineralized zones. The Spences Bridge Group on the east has potential for precious metal mineralized zones. Further work at the McGill Property is recommended.

RECOMMENDATIONS

Table 0-1 Proposed Exploration Budget

Phase One			
Item	Number of	Cost per unit	Total Cost
Project Planning	10 days	800 per day	\$ 8,000
Geological Mapping and Prospecting (all in cost)	30 days	800 per day	\$ 24,000
Soil Geochemical Sample Collection (all in staff cost)	45 days	500 per day	\$ 22,500
Geochemical Analysis	600 samples	60 per sample	\$ 36,000
Reporting	15 days	700 per day	\$ 10,500
Contingency Funding			\$ 9,000
Total Phase One			\$ 110,000
Phase Two			
Airborne Geophysics - magnetometrics and radiometrics			\$ 60,000
Geophysics interpretation and reporting			\$ 15,000
Drill planning and targeting	7 days	700 per day	\$ 4,900
Diamond Drilling	600 metres	\$ 200 per metre	\$ 120,000
all in per metre cost including drilling, supervision, logging, assays and reporting			
Total Phase Two			\$ 199,900

The McGill property is an early-stage project with two major target types of mineralization. The first Phase of proposed exploration on the McGill property includes:

- reconnaissance mapping looking for Pimainus Formation fault-bound slices and epithermal gold as well as noting the porphyry copper potential in the centre of the Mount Lytton Complex. Notes on rock alteration will be valuable in determining trends and targets.
- work on the epithermal gold targets on the east side of the property particularly near the Falcon and Cobra targets as defined by Talisker Resources and noted in **Figure 0-1**.
- systematic soil sampling over target areas, especially continuing/adding to the Bob Zone and in the area near the Cobra target of Talisker Resources. Analysis of gold and 40 plus multi-element ICP analysis is recommended for this program.
- Further prospecting and sampling in the northeast corner of the property near the Falcon showing of Talisker Resources and following up on the Author's proposed contact running generally north-south with higher soil values found near the contact in 2020.

Contingent on positive results in the first phase of exploration a second phase including Airborne Geophysics collecting both magnetic and radiometric data is suggested. The airborne survey should be completed between

July and early October, avoiding snow cover, to maximize the benefits of the radiometric survey to track the potassic alteration zones.

After the geophysical survey 600 metres of diamond drilling the outlined targets can be undertaken.

USE OF AVAILABLE FUNDS

Proceeds

This is a non-offering prospectus. The Corporation is not raising any funds in conjunction with this Prospectus and, accordingly, there are no proceeds.

Total Available Funds

Prisma has a working capital of approximately \$36,823.88 as of February 28, 2021 and March 31, 2021. The Corporation intends to proceed with a private placement to increase its working capital prior to listing on the CSE.

Principal Purposes

The funds available will be used for the purposes listed below:

<i>Complete Phase 1 work program on McGill Property⁽¹⁾</i>	\$110,000
<i>Estimated general and administrative expenses for 12 months</i>	\$48,543
<i>Prospectus costs and Exchange listing fees and expenses</i>	\$35,000
<i>Unallocated Working Capital Deficit to fund ongoing operations</i>	\$(156,719.12)
TOTAL	\$36,823.88

Notes:

- (1) See "Property Description and Location – Exploration and Development"
- (2) Please see the table below for a description of the estimated administrative costs of the Corporation for the next 12 month period.

The Corporation expects to incur approximately \$48,543 in general and administrative costs on an annual basis to cover the expenses of operating as a public company over the next 12 months. A breakdown of the estimated general and administrative costs for that period is as follows:

	<i>Monthly Expenditure (\$)</i>	<i>Annual Expenditure (\$)</i>
<i>Audit and accounting expenses</i>	2,125	25,500
<i>Legal expenses</i>	470	5,643
<i>Management fees</i>	-	-
<i>Regulatory and filing fees</i>	650	7,800
<i>Office expenses</i>	500	6,000
<i>Transfer agent</i>	300	3,600
TOTAL	4,045	48,543

The Corporation intends to spend its available funds as stated in this prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary.

The Corporation has no plans to provide fees or salaries to any of its named directors and officers over the next 12 months.

The Corporation recognizes that it is operating during the COVID-19 pandemic, which may result in the halting or delay of exploration programs and shortages of exploration service providers. The COVID 19 pandemic may delay the phase one exploration program. Upon the completion of the IPO, the Corporation will have \$75,274 in unallocated working capital that it can deploy to cover expenses incurred during delays caused by the COVID 19 pandemic.

Total Other Funds Available

There are no other funds available to the Corporation, other than as set out above.

Unallocated Funds in Trust or in Escrow

There are no unallocated funds in trust or in escrow.

Negative Operating Cash Flow

Since inception, the Corporation has had negative operating cash flow and incurred losses. The Corporation's negative operating cash flow and losses are expected to continue for the foreseeable future. The Corporation cannot predict when it will reach positive operating cash flow, if ever. Due to the expected continuation of negative operating cash flow, the Corporation will be reliant on future financings in order to meet its cash needs. There is no assurance that such future financings will be available on acceptable terms or at all. See "Risk Factors".

Business Objectives and Milestones

The business objectives the Corporation expects to achieve using the available funds are to: (i) obtain a listing of the Common Shares on the Exchange; and (ii) complete Phase 1 of the exploration program recommended in the Technical Report. The Corporation expects to commence Phase 1 following listing, the Corporation believes it will take a minimum of 12 months to complete Phase 1 and analyze the results. If the results dictate further exploration, subject to obtaining additional financing the Corporation expects to proceed with a Phase 2 program based on the Phase 1 results. The Corporation expects to commence and complete a Phase 2 within 12 to 18 months of completion of Phase 1.

The Corporation's business objectives of completing the listing on the Exchange will occur on the date the Corporation lists on the Exchange. The cost of covering administrative costs for the first 12 months following listing is estimated at \$48,543. The cost of completing Phase 1 of the recommended work program is estimated at \$110,000. It is possible that it will take more than 12 months for the Corporation to complete Phase 1 of the recommended work program.

DIVIDENDS

The Corporation has never declared, nor paid, any dividend since its incorporation and does not foresee paying any dividend in the near future since all available funds will be used to conduct exploration activities. Any future payment of dividends will depend on the financing requirements and financial condition of the Corporation and other factors which the Board, in its sole discretion, may consider appropriate and in the best interests of the Corporation.

Under the BCA, the Corporation is prohibited from declaring or paying dividends if there are reasonable grounds for believing that the Corporation is insolvent or the payment of dividends would render the Corporation insolvent.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following tables set forth selected financial information with respect to the Corporation's audited financial statements for the year ended December 31, 2020. The selected financial information has been derived, except where indicated from the audited financial statements for the year ended December 31, 2020. The following should be read in conjunction with the said financial statements.

All of the information presented in the management's discussion and analysis is based on the annual financial statements, which were prepared in accordance with IFRS. All amounts included in the management's discussion and analysis are expressed in Canadian dollars, unless otherwise indicated.

Selected Financial Information

<i>Continuing operations</i>	<i>Year ended December 31, 2020</i> <i>(Audited)</i> <i>(\$)</i>	<i>Year ended December 31, 2019</i> <i>(Audited)</i> <i>(\$)</i>
<i>Revenue</i>	-	-
<i>General and administrative expenses</i>	(7,886)	(35)
<i>Net loss</i>	(7,886)	(0)
<i>Basic and diluted loss per share</i>	(0.00) ⁽¹⁾	(0.00) ⁽²⁾

Notes:

- (1) Based on the weighted average of 1,651,221 common shares issued and outstanding for the year ended December 31, 2020.
- (2) Based on the weighted average of 9,760 common shares issued and outstanding for the year ended December 31, 2019.

Statement of Financial Position

	<i>As at December 31, 2020</i> <i>(Audited)</i> <i>(\$)</i>	<i>Year ended December 31, 2019</i> <i>(Audited)</i> <i>(\$)</i>
<i>Assets</i>		
<i>Current assets</i>	56,114	13,515
<i>Exploration and evaluation assets</i>	72,760	
<i>Total assets</i>	128,874	13,515
<i>Liabilities</i>		
<i>Current Liabilities</i>	5,000	0
<i>Shareholders' Equity</i>	123,874	13,515
<i>Total Liabilities and Shareholders' Equity</i>	128,874	13,515

Overview

Management's discussion and analysis and interim financial statements for the year ended December 31, 2020 and December 31, 2019 are included in Schedule B to this Prospectus and should be read in conjunction with the audited annual financial statements of the Corporation and the related notes thereto included in this Prospectus and to which the management's discussion and analysis relates.

All of the information presented in the management's discussion and analysis is based on the annual financial statements, were prepared in accordance with IFRS. All amounts included in the management's discussion and analysis are expressed in Canadian dollars, unless otherwise indicated.

Overall Performance

The Corporation is a junior exploration company engaged in the exploration and development of the McGill Property. The Corporation's future performance depends on, among other things, its ability to discover and develop ore reserves at commercially recoverable quantities, the prevailing market price of commodities it produces, the Corporation's ability to secure required financing, and in the event ore reserves are found in economically recoverable quantities, the Corporation's ability to secure operating and environmental permits to commence and maintain mining operations.

During the period from the date of incorporation on March 21, 2018 to January 31, 2021, the Corporation's activities included the acquisition of the McGill Property as well as activities related to various private placements. See "Business of the Company" and "Acquisition of the McGill Property".

Results of Operation

Years Ended December 31, 2020 and December 31, 2019

The Corporation reported net losses of \$7,886 and \$35, during the years ended December 31, 2020 and December 31, 2019. The main factors that contributed to the loss in fiscal 2020 and 2019 were filing and regulatory fees of \$5,643 and \$Nil, office and administration costs of \$496 and \$35, and professional and consulting fees of \$1,747.

Accounting and audit fees were paid in connection with the preparation of the Corporation's audited financial statements.

During the years ended December 31, 2020 and December 31, 2019, the Corporation completed the following equity financings.

On January 13, 2020, the Corporation completed a non-brokered private placement and issued 536,900 common shares of the Corporation at a price of \$0.05 per share for gross cash proceeds of \$26,845.

On October 9, 2020, the Corporation completed a non-brokered private placement and issued 3,550,000 common shares of the Corporation at a price of \$0.025 per share for gross proceeds of \$88,750.

On December 19, 2019, the Corporation completed a non-brokered private placement financing, issuing 274,000 common shares of the Corporation at a price of \$0.05 per share for gross proceeds of \$13,700.

Liquidity and Capital Resources

The Corporation reported working capital of \$51,114 and cash on hand of \$56,114 as at December 31, 2020.

The Corporation has \$129,295 in available funds upon completion of the private placements. The Corporation estimates that the capital required to carry out Phase 1 of the recommended exploration program on the McGill Property and to pay the Optionors the next installment pursuant to the McGill Property Option Agreement is \$10,000 and issuance of 100,000 common shares. In addition, the Corporation also anticipates that it will be required to incur approximately \$48,543 in general and administrative expenses. After giving effect to these

allocations, the Corporation anticipates it will have \$156,719.12 in unallocated working capital deficit. The Corporation intends to proceed with a private placement to increase its working capital prior to listing on the CSE.

The Corporation's future capital requirements will depend upon many factors including, without limitation, the results of its exploration programs including Phase 1 and Phase 2 and commodity prices for precious metals. The Corporation has limited capital resources and has to rely upon the sale of equity securities for cash required for exploration and development purposes, for acquisitions and to fund the administration of the Corporation. Since the Corporation does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of its equity and debt securities to raise capital, which would result in further dilution to the shareholders. There is no assurance that financing, whether debt or equity, will be available to the Corporation in the amount required by the Corporation at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Corporation or at all. See "Risk Factors".

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Related Party Transactions

Years Ended December 31, 2020 and December 31, 2019

During the years ended December 31, 2020 and December 31, 2019, Brent Hahn, the Corporation's Chief Executive Officer, President and Director, received \$NIL in management fees and \$NIL in share-based compensation expenses.

During the years ended December 31, 2020 and December 31, 2019, David Eaton, the Corporation's Chief Financial Officer and Director, received \$NIL in management fees and \$NIL in share-based compensation expenses

Changes in Accounting Policies

The following standards have not yet been adopted and are being evaluated to determine their impact on the Corporation's financial statements:

IFRS 9 Financial Instruments ("IFRS 9")

IFRS 9 was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is required to be applied for annual periods beginning on or after January 1, 2013. IFRS 9 has a tentative effective date of January 1, 2018 with early adoption permitted.

The extent of the impact of adoption of these standards and interpretations on the financial statements of the Corporation has not been determined.

Based on its review of the above, management is of the opinion that the Corporation's current accounting policies and disclosures in its financial statements comply in all material respects with the requirements so far as they are applicable to its present operations.

Financial Instruments

The Corporation's financial instruments consist of cash, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise stated.

Summary of Quarterly Results

The Corporation's Management's Discussion and Analysis provides an analysis of the Corporation's financial results for the period from January 1, 2020 to December 31, 2020 and should be read in conjunction with the financial statements of the Corporation for such period, and the notes thereto. The Corporation's Management's Discussion and Analysis is attached to this Prospectus as Appendix M-1.

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

Additional Disclosure for Venture Issuers without Significant Revenue

The following table sets out a breakdown of all material components of certain costs to the Corporation for the period from January 1, 2020 to December 31, 2020.

Mineral Properties – Exploration and Evaluation

The following tables set out the total deferred exploration costs recorded by the Corporation for the McGill Property as at the year ended December 31, 2020:

	<i>McGill Property</i>
<i>Property acquisition costs</i>	
<i>Acquisition cost - cash</i>	10,000
<i>Acquisition cost – issuance of 100,000 shares</i>	-
	10,000
<i>Costs incurred during the period:</i>	
<i>Assaying</i>	4,440
<i>Consulting</i>	118,533
<i>Maintenance</i>	6,046
<i>Geological</i>	31,465
<i>Travel and accommodation</i>	2,276
	62,760
<i>Balance, end of period</i>	72,760

General and Administrative Expenses

The following tables set out the general and administrative expenses of the Corporation for the year end period ended December 31, 2020:

	<i>As at December 31, 2020</i> (Audited) (\$)	<i>Year ended December 31, 2019</i> (Audited) (\$)
<i>Office and Administration fees</i>	496	35
<i>Filing and regulatory fees</i>	5,643	-
<i>Professional and consulting fees</i>	1,747	-
<i>Total</i>	(7,886)	(35)

Additional Disclosure for Junior Issuers

As set out in the section titled “Use of Available Funds”, the Corporation anticipates having a general working capital deficit of \$156,719.12 following completion of the recommended Phase 1, payments to the Optionors and after meeting the budgeted administrative costs for the next 12 months of \$48,543. The Corporation intends to proceed with a private placement to increase its working capital prior to listing on the CSE. Other than as disclosed in this prospectus, the Corporation does not anticipate incurring any other material capital expenditures.

Assuming that the Corporation has expended its exploration expenses in accordance with the recommendations of the Qualified Person, on the McGill Property, the Corporation will have achieved one of its material stated business objectives which is to determine whether the McGill Property contains mineralized deposits and whether the results warrant the Corporation carrying out further work on the McGill Property.

If the results on the McGill Property do not warrant the Corporation incurring further exploration expenditures, then the Corporation anticipates that it would not have sufficient funds to meet its budgeted administrative costs for the next calendar year. However, if a further work program is recommended on the McGill Property, the Corporation may be required to raise additional funding to carry out additional exploration programs on its McGill Property. In addition, should the opportunity to acquire other mineral exploration properties be presented to the Corporation, whether located in North America or elsewhere, then the Corporation would have to determine the appropriate method of acquiring those properties. In the event that Common Shares could not be used to acquire the said properties, then the Corporation may have to look to raise further capital. See “*Risk Factors*”.

DESCRIPTION OF SECURITIES

Disclosure of Outstanding Security Data

The Corporation has one class of shares outstanding, being Common Shares. The authorized capital of the Corporation consists of an unlimited number of common shares. Each common share is equal to every other common share with respect to all rights and restrictions.

As of the date of this prospectus, 4,460,901 Common Shares were issued and outstanding. See “*Description of the Securities Distributed*”.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Corporation and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Corporation. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Corporation, are entitled to receive such dividends in any financial year as the Board of Directors of the Corporation may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Corporation, the remaining property and assets of the Corporation. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

CONSOLIDATED CAPITALIZATION

As of the Corporation's most recently completed financial period ended December 31, 2020; the Corporation had 4,460,901 common shares issued and outstanding.

The following table sets forth the share and loan capital of the Corporation as at the dates shown below. The table should be read in conjunction with, and is qualified in its entirety by, the Corporation's audited financial statements as at and for the years ended December 31, 2020 and 2019.

	<i>As at December 31, 2020</i> <i>(Audited)</i> <i>(\$)</i>	<i>Outstanding as at the date of</i> <i>this Prospectus</i> <i>(\$)</i>
<i>Common shares</i>	\$131,795	\$131,795
	(4,460,901 common shares)	(4,460,901 common shares)
<i>Options</i>	-	-
<i>Warrants</i>	-	-
<i>Long term liabilities</i>	-	-

OPTIONS TO PURCHASE SECURITIES

The Directors of the Corporation adopted a stock option plan on March 1, 2021 (the "Stock Option Plan"). The purpose of the Stock Option Plan is to advance the interests of the Corporation by encouraging the directors, officers, employees, management company employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire Common Shares in the share capital of the Corporation, thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs. The Stock Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance will be 10% of the number of the Corporation's Common Shares issued and outstanding at the time such options are granted.

The Stock Option Plan will be administered by the Corporation's Board of Directors, which will have full and final authority with respect to the granting of all options thereunder. The continuation of the Stock Option Plan requires annual shareholder approval by ordinary resolution at each annual meeting of the Issuer.

Eligible Optionees

To be eligible to receive a grant of Options under the Stock Option Plan, regulatory authorities require an Optionee to be either a director, officer, employee, consultant or an employee of a company providing management or other services to the Issuer or a subsidiary at the time the Option is granted.

Options may be granted only to an individual eligible, or to a non-individual that is wholly-owned by individuals eligible, for an Option grant. If the Option is granted to a non-individual, it will not permit any transfer of its securities, nor issue further securities, to any individual or other entity as long as the Option remains in effect.

Restrictions

The Stock Option Plan is a 10% rolling plan and the total number of Common Shares issuable upon exercise of Options under the Stock Option Plan cannot exceed 10% of the Issuer's issued and outstanding Common Shares on the date on which an Option is granted, less Common Shares reserved for issuance on exercise of Options then outstanding under the Stock Option Plan. The Stock Option Plan is also subject to the following restrictions:

- (a) The Issuer must not grant an Option to a director, employee, consultant, or consultant company (the "Service Provider") in any 12-month period that exceeds 5% of the outstanding Common Shares of the Issuer, unless the Issuer has obtained approval by a majority of the votes cast by all shareholders of the Issuer at the shareholders' meeting excluding votes attached to Common Shares beneficially owned by Insiders of the Issuer and their Associates ("Disinterested Shareholder Approval").
- (b) The aggregate number of Options granted to a Service Provider conducting investor relations activities in any 12 month period must not exceed 1% of the outstanding Common Shares calculated at the date of the grant, without prior regulatory approval.
- (c) The Issuer must not grant an Option to a Consultant in any 12 month period that exceeds 1% of the outstanding Common Shares calculated at the date of the grant of the Option.
- (d) The aggregate number of Common Shares reserved for issuance under Options granted to Insiders must not exceed 10% of the outstanding Common Shares (if the Stock Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares) unless the Issuer has obtained Disinterested Shareholder Approval to do so.
- (e) The number of Common Shares issued to Insiders upon exercise of Options in any 12 month period must not exceed 10% of the outstanding Common Shares (if the Stock Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares) unless the Issuer has obtained Disinterested Shareholder Approval to do so.
- (f) The issuance to any one Optionee within a 12 month period of a number of Common Shares must not exceed 5% of outstanding Common Shares unless the Issuer has obtained Disinterested Shareholder Approval to do so.
- (g) The exercise price of an Option previously granted to an Insider must not be reduced, unless the Issuer has obtained Disinterested Shareholder Approval to do so.

- (h) The Issuer may implement such procedures and conditions as the Board deems appropriate with respect to withholding and remitting taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law.

Material Terms of the Plan

The following is a summary of the material terms of the Stock Option Plan:

- (a) persons who are Service Providers to the Issuer or its Affiliates, or who are providing services to the Issuer or its Affiliates, are eligible to receive grants of Options under the Stock Option Plan;
- (b) all Options granted under the Stock Option Plan expire on a date not later than 10 years after the issuance of such Options. However, should the expiry date for an Option fall within a trading Blackout Period (as defined in the Stock Option Plan, generally meaning circumstances where sensitive negotiations or other like information is not yet public), within 9 business days following the expiration of a Blackout Period;
- (c) for Options granted to Service Providers, the Issuer must ensure that the proposed Optionee is a bona fide Service Provider of the Issuer or its Affiliates;
- (d) an Option granted to any Service Provider will expire within 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Issuer, but only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Issuer;
- (e) if an Optionee dies, any vested Option held by him or her at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (f) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- (g) the exercise price of each Option will be set by the Board on the effective date of the Option and will not be less than the Discounted Market Price (as defined in the Stock Option Plan);
- (h) vesting of Options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Issuer or its Affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Issuer or its Affiliates during the vesting period; or (ii) the Service Provider remaining as a director of the Issuer or its Affiliates during the vesting period;
- (i) in the event of a take-over bid being made to the shareholders generally, immediately upon receipt of the notice of the take-over bid, the Issuer shall notify each Optionee currently holding any Options, of the full particulars of the take-over bid, and all outstanding Options may, notwithstanding the vesting

terms contained in the Stock Option Plan or any vesting requirements subject to regulatory approval; and

- (j) the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Stock Option Plan with respect to all Common Shares reserved under the Stock Option Plan in respect of Options which have not yet been granted.

Under the Stock Option Plan, the Board may do the following, without obtaining shareholder approval:

- (a) amend the Stock Option Plan to correct typographical, grammatical or clerical errors;
- (b) change the vesting provisions of an Option granted under the Stock Option Plan, if applicable;
- (c) change the termination provision of an Option granted under the Stock Option Plan if it does not entail an extension beyond the original expiry date of such Option;
- (d) make such amendments to the Stock Option Plan as are necessary or desirable to reflect changes to securities laws applicable to the Issuer;
- (e) make such amendments as may otherwise be permitted by regulatory authorities;
- (f) if the Issuer becomes listed or quoted on a stock exchange or stock market senior to the CSE, make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (g) amend the Stock Option Plan to reduce the benefits that may be granted to Service Providers.

Options Granted

As of the date hereof, the Corporation has not granted any options under the Stock Option Plan. Prior to listing, the Corporation intends to allocate Options to members of the Board, in connection with the listing, under their Stock Option Plan.

PRIOR SALES

Since inception on March 21, 2018, the Corporation has completed the following distributions of its securities:

<i>Date</i>	<i>Price per Security (\$)</i>	<i>Number and Type of Security</i>	<i>Reason for Issuance</i>
<i>March 21, 2018</i>	0.01	1 Common share	Incorporator's common share
<i>December 19, 2019</i>	0.05	274,000 Common shares	Non-brokered private placement
<i>January 13, 2020</i>	0.05	536,900 Common shares	Non-brokered private placement
<i>October 5, 2020</i>	0.025	100,000 Common shares	Property acquisition
<i>October 9, 2020</i>	0.025	3,550,000 Common shares	Non-brokered private placement

(a) On March 21, 2018, the Corporation issued one Common Share at a price of \$0.01 per share.

(b) On December 19, 2019, the Corporation issued 274,000 Common Shares at a price of \$0.05 per share for total proceeds of \$13,700.

- (c) On January 13, 2020, the Corporation issued 536,900 Common Shares at a price of \$0.05 per share for total proceeds of \$26,845.
- (d) On October 5, 2020, the Corporation issued 100,000 Common Shares at a price of \$0.025 per share for total of \$2,500 in connection with the acquisition of the McGill Property pursuant to the Option Agreement dated October 4, 2020.
- (e) On October 9, 2020, the Corporation issued 3,550,000 Common Shares at a price of \$0.025 per share for total proceeds of \$88,750.

Trading Price and Volume

The Common Shares are not currently listed for trading on any stock exchange.

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

Escrow under CSE Policies

In accordance with the CSE Policies, National Policy 46-201 Escrow for Initial Public Offerings ("NP 46-201") all Common Shares held by a Related Person as of the Listing Date are subject to escrow restrictions. Under the CSE Policies, the Related Persons of the Issuer are its directors and officers, the Issuer's promoter, and any person that beneficially owns, either directly or indirectly, or exercises voting control or direction over at least 10% of the total Common Shares.

The CSE Policies require that the Escrow Securities be governed by the form of escrow agreement under National Policy 46-201 Escrow for Initial Public Offerings ("NP 46-201"). Pursuant to the Escrow Agreement, among the Issuer, the Escrow Agent, and the directors, officers and insiders of the Issuer, the Escrow Securities will be released in accordance with the following release schedule under NP 46-201, as on listing, the Issuer anticipates being an "Emerging Issuer" (as defined in NP 46-201):

On the Listing Date	1/10 of the Escrow Securities
6 months after the Listing Date	1/6 of the remaining Escrow Securities
12 months after the Listing Date	1/5 of the remaining Escrow Securities
18 months after the Listing Date	1/4 of the remaining Escrow Securities
24 months after the Listing Date	1/3 of the remaining Escrow Securities
30 months after the Listing Date	1/2 of the remaining Escrow Securities
36 months after the Listing Date	the remaining Escrow Securities

Assuming there are no changes to the Escrow Securities initially deposited and no additional Escrow Securities are deposited, this will result in a 10% release on the Listing Date, with the remaining Escrow Securities being released in 15% tranches every 6 months thereafter.

All the Escrow Securities are subject to the direction and determination of the CSE. Specifically, the Escrow Securities may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the consent of the CSE.

The following sets forth particulars of the Escrow Securities that will be subject to Emerging Issuer escrow under the Escrow Agreement on the Listing Date.

<i>Name and Municipality of Residence</i>	<i>Number of Common Shares held in Escrow</i>	<i>Percentage of Outstanding Common Shares held in Escrow</i>
<i>Brent Hahn North Vancouver, B.C.</i>	50,000	1.12%
<i>Jesse Hahn North Vancouver, B.C.</i>	NIL	NIL%
<i>David Eaton North Vancouver, B.C.</i>	NIL	NIL%
<i>James McCrea North Vancouver, B.C.</i>	NIL	NIL%
TOTAL	50,000 ⁽¹⁾	1.12%

Note:

- (1) On the basis of 4,460,901 issued and outstanding Common Shares as of the date of this prospectus.
- (2) The Corporation is not completing an Initial Public Offering. The Corporation is providing this non-offering prospectus with the intention of going public on the CSE. Escrow considerations of NP 46-201 do not apply under these conditions.

Under NP 46-201, a “principal” is: (a) a person who has acted as a promoter of the Corporation within two years of the date of this prospectus; (b) a director or senior officer of the Corporation at the time of this prospectus; (c) a person that holds securities carrying more than 20% of the voting rights attached to the Corporation’s outstanding securities immediately before and immediately after the Corporation’s initial public offering; and (d) a person that: (i) holds securities carrying more than 10% of the voting rights attached to the Corporation’s outstanding securities immediately before and immediately after the Corporation’s initial public offering; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Corporation. A principal’s spouse and their relatives that live at the same address as the principal will be deemed principals and any securities of the Corporation held by such a person will be subject to the escrow requirements.

The automatic time release provisions under NP 46-201 pertaining to “established issuers” provide that 25% of each principal’s escrowed securities are released on the listing date, with an additional 25% being released in equal tranches at six-month intervals over 18 months.

If, within 18 months of the listing date, the Corporation meets the “established issuer” criteria, as set out in NP 46-201, the Escrowed Securities will be eligible for accelerated release according to the criteria for established issuers. In such a scenario that number of Escrowed Securities that would have been eligible for release from escrow if the Corporation had been an “established issuer” on the listing date will be immediately released from escrow. The remaining Escrowed Securities would be released in accordance with the time release provisions for established issuers, with all escrow securities being released 18 months from the listing date.

Under the terms of the Escrow Agreement, Escrowed Securities cannot be transferred by the holder unless permitted under the Escrow Agreement. Notwithstanding this restriction on transfer, a holder of Escrowed Securities may (a) pledge, mortgage or charge the Escrowed Securities to a financial institution as collateral for a loan provided that no Escrow Securities will be delivered by the escrow agent to the financial institution; (b) exercise any voting rights attached to the Escrow Securities; (c) receive dividends or other distributions on the Escrow Securities; and (d) exercise any rights to exchange or convert the Escrow Securities in accordance with the Escrow Agreement.

The Escrowed Securities may be transferred within escrow to: (a) subject to approval of the Corporation’s Board of Directors, an individual who is an existing or newly appointed director or senior officer of the Corporation or of

a material operating subsidiary of the Corporation; (b) subject to the approval of the Corporation's Board of Directors, a person that before the proposed transfer holds more than 20% of the voting rights attached to the Corporation's outstanding securities; (c) subject to the approval of the Corporation's Board of Directors, a person that after the proposed transfer will hold more than 10% of the voting rights attached to the Corporation's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Corporation or any of its material operating subsidiaries; (d) upon the bankruptcy of a holder of escrowed securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities; (e) upon the death of a holder of escrowed securities, all securities of the deceased holder will be released from escrow to the deceased holder's legal representative; (f) a financial institution that the holder pledged, mortgaged or charges to a financial institution as collateral for a loan on realization of such loan; and (g) a registered retirement savings plan ("RRSP"), registered retirement income fund ("RRIF") or similar registered plan or fund with a trustee, where the annuitant of the RRSP or RRIF, or the beneficiaries of another plan or fund are limited to the holders spouse, children or parents, or if the holder is the trustee of such registered plan or fund, to the annuitant of the RRSP or RRIF, or a beneficiary of the other registered plan or fund or his or her spouse, children or parents.

In addition, tenders of Escrowed Securities pursuant to a business combination, which includes a take-over bid, issuer bid, statutory arrangement, amalgamation, merger or other reorganization similar to an amalgamation or merger, are permitted. Escrowed Securities subject to a business combination will continue to be escrowed if the successor entity is not an "exempt issuer", the holder is a principal of the successor entity; and the holder holds more than 1% of the voting rights of the successor entities' outstanding securities.

PRINCIPAL SHAREHOLDERS

As at the date of this prospectus, 4,460,901 Common Shares were issued and outstanding and no person directly or indirectly, holds 10% or more of the issued and outstanding Common Shares:

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth, for each of the Directors and executive officers of the Corporation, the name, municipality of residence, age, principal occupation, position held with the Corporation and the date on which the person became a Director.

<i>Name, Position with Issuer, Province and Country of Residence</i>	<i>Date of Appointment to Office</i>	<i>Principal Occupation for the Past Five Years</i>	<i>Number of Common Shares held</i>	<i>Percentage of Outstanding Common Shares</i>
<i>Brent Hahn⁽¹⁾ North Vancouver, B.C. President, CEO and Director</i>	October 6, 2020	Businessman	50,000 ⁽²⁾	1.12% ⁽³⁾
<i>David Eaton⁽¹⁾ Vancouver, B.C., CFO and Director</i>	March 21, 2018	Businessman	Nil	Nil
<i>James McCrea Vancouver, B.C. Director</i>	October 6, 2020	Businessman	Nil	Nil
<i>Jesse Hahn⁽¹⁾ North Vancouver, B.C.</i>	October 6, 2020	Professional Agrologist	Nil	Nil

<i>Director</i>		
TOTAL		50,000 1.12%

Notes:

(1) Audit Committee Member.

(2) These Common Shares are not subject to escrow.

(3) On the basis of 4,460,901 issued and outstanding Common Shares as of the date of this Prospectus.

Aggregate Ownership of Securities

As of the date of this Prospectus, the directors and executive officers of the Issuer, as a group, beneficially own, directly or indirectly, 50,000 Common Shares representing approximately 1.12% of the issued and outstanding Common Shares.

Term of Office

The Directors are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are duly elected or appointed in accordance with the Corporation's Articles or until such director's earlier death, resignation or removal.

Biographical Information and Management of Junior Issuers

A description of the principal occupation for the past five years and summary of the experience of the directors and officers of the Issuer is as follows:

Brent Hahn- Age 59, President, Chief Executive Officer and Director

Since 1979, Mr. Hahn has been an entrepreneur building businesses from the ground up. From the oil patch, construction and automotive industries, he has built and sold a number of successful businesses. He has been involved in the development of several mining and exploration projects. Mr. Hahn has held positions as Chief Executive Officer and director for numerous companies in the past. At present, Mr. Hahn is President/CEO of Sennen Potash Corporation (TSX.V-SN) and Director of Remington Resource Inc. (TSX.V-RGM).

David Eaton- Age 59, Chief Financial Officer and Director

Mr. Eaton has been involved the capital markets since 1981, starting as a floor trader at the Vancouver Stock Exchange. Throughout his career he has been active in all aspects of the corporate finance industry, consulting to both public and private companies in the areas of investor relations, arranging financings and corporate transactions. Since 2007 he has been Chairman at Baron Global Financial Canada Ltd., a subsidiary of the Hong Kong Stock Exchange Member Firm VBG Group. Baron Global Financial Canada Ltd. provides merchant banking services in the areas of financing, transaction planning, corporate transactions, public listings and ongoing public company management.

Jesse Hahn- Age 34, Director

Mr. Hahn holds a BSc in Environmental Science with a focus on Environmental Economics & Policy. He brings over a decade of experience in agrology, waste management, reclamation and business development in emerging technology industries. He is a Professional Agrologist in good standing with the Alberta Institute of Agrologists. Mr. Hahn currently holds a position as Director of Sennen Potash Corporation (TSX.V-SN) and Remington Resource Inc. (TSX.V-RGM).

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

To the best of the Issuer's knowledge, none of the directors or executive officers of the Issuer is, or within the 10 years before the date of this Prospectus has been, a director or executive officer of any company that:

(a) was subject to a cease trade order or similar order or an order that denied the corporation access to any statutory exemptions for a period of more than 30 consecutive days (an "Order"), which was issued while the proposed director or executive officer was acting in the capacity as director, CEO or CFO; or

(b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

Bankruptcies

To the best of the Issuer's knowledge, no director or executive officer of the Issuer, or a shareholder holding a sufficient number of Common Shares to affect materially the control of the Issuer:

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

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

Penalties or Sanctions

To the best of the Issuer's knowledge, no director or executive officer of the Issuer, or a shareholder holding a sufficient number of Common Shares to affect materially the control of the Issuer, has been subject to:

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

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

Conflicts of Interest

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

from voting on such matter. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA.

To the best of the Issuer's knowledge, there are no known existing or potential conflicts of interest between the Issuer and its directors and officers except that certain of the directors and officers may serve as directors and/or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Issuer and their duties as a director or officer of such other companies.

The information as to ownership of securities of the Corporation, corporate cease trade orders or bankruptcies, penalties or sanctions, personal bankruptcies or insolvencies and existing or potential conflicts of interest has been provided by each insider of the Corporation individually in respect of himself or herself.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Issuer does not have a formal compensation program. The Board meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. The general objectives of the Issuer's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; (c) provide a compensation package that is commensurate with other mining companies to enable the Issuer to attract and retain talent; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Issuer is under by virtue of the fact that it is a mining company without a history of earnings.

The Board, as a whole, ensures that total compensation paid to all Named Executive Officers ("NEOs"), as hereinafter defined, is fair and reasonable. A "Named Executive Officer" ("NEO") includes: (i) the Issuer's CEO; (ii) the Issuer's CFO; (iii) each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers as at the end of the most recently completed financial year of July 31, 2017, and whose total compensation was more than \$150,000; and (iv) any additional individuals for whom disclosure would have been required except that the individual was not serving as an officer of the Issuer at the end of the most recently completed financial year. The Board relies on the experience of its members as officers and directors with other junior mining companies in assessing compensation levels.

Cash Salary

The Corporation's compensation payable to the Named Executive Officers is based upon, among other things, the responsibility, skills and experience required to carry out the functions of each position held by each Named Executive Officer and varies with the amount of time spent by each Named Executive Officer in carrying out his or her functions on behalf of the Corporation. Base salary is used to provide the NEOs a set amount of money during the year with the expectation that each NEO will perform his responsibilities to the best of his ability and in the best interests of the Issuer.

In particular the Chief Executive Officer's compensation will be determined by time spent on: (i) the Corporation's current mineral property; (ii) reviewing potential mineral properties that the Corporation may acquire and negotiating, on behalf of the Corporation; and (iii) new business ventures. The Chief Financial Officer's compensation is primarily determined by time spent in reviewing the Corporation's financial statements.

Long Term Compensation and Option-Based Awards

The Issuer has no long-term incentive plans other than its Stock Option Plan. The Issuer 's directors, officers, employees and certain consultants are entitled to participate in the Stock Option Plan. The Stock Option Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Stock Option Plan aligns the interests of the NEO and the Board with shareholders by linking a component of executive compensation to the longer-term performance of the Common Shares.

Options are granted by the Board. In monitoring or adjusting the Option allotments, the Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous Option grants and the objectives set for the NEOs and the Board. The scale of Options is generally commensurate to the appropriate level of base compensation for each level of responsibility.

In addition to determining the number of Options to be granted pursuant to the methodology outlined above, the Board also makes the following determinations:

- (a) parties who are entitled to participate in the Stock Option Plan;
- (b) the exercise price for each Option granted, subject to the provision that the exercise price cannot be lower than the prescribed discount permitted by the CSE from the market price on the date of grant;
- (c) the date on which each Option is granted;
- (d) the vesting period, if any, for each Option;
- (e) the other material terms and conditions of each Option grant; and
- (f) any re-pricing or amendment to an Option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Stock Option Plan. The Board reviews and approves grants of Options on an annual basis and periodically during a financial year.

As of the date hereof, the Corporation has not granted any options to its directors and officers. See “Options to Purchase Securities” above.

Employment and Consulting Agreements

The Corporation has not entered into written employment or consulting agreements with its Chief Executive Officer and its Chief Financial Officer.

Summary Compensation Table

The following information is presented in accordance with National Instrument Form 51-102F6V – Statement of Executive Compensation – Venture Issuers, for the Issuer’s financial years ended December 31, 2020 and 2019.

<i>Name</i>	<i>Year</i>	<i>Salary</i>	<i>Share Based Awards (\$)</i>	<i>Option Based Awards (\$)</i>	<i>Non-Equity Incentive Plan Compensation (\$)</i>	<i>Pension Value (\$)</i>	<i>All Other Compensation (\$)</i>	<i>Total Compensation (\$)</i>
<i>David Eaton Chief Financial Officer</i>	2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	2019	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<i>Brent Hahn Chief Executive Officer</i>	2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	2019	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Incentive Plan Awards

The following table sets forth all outstanding share based and option based awards to the Named Executive Officers as at the fiscal years ended December 31, 2020 and December 31, 2019.

<i>Name</i>	<i>Option Based Awards</i>			<i>Share Based Awards</i>		
	<i>Number of securities underlying unexercised options (#)</i>	<i>Option exercise price (\$)</i>	<i>Option expiration date</i>	<i>Value of unexercised in-the-money options (\$)</i>	<i>Number of shares that have not vested yet (\$)</i>	<i>Market or payout value of share-based awards that have not vested (\$)</i>
<i>David Eaton Chief Financial Officer</i>	2020	NIL	NIL	NIL	NIL	NIL
	2019	NIL	NIL	NIL	NIL	NIL
<i>Brent Hahn Chief Executive Officer</i>	2020	NIL	NIL	NIL	NIL	NIL
	2019	NIL	NIL	NIL	NIL	NIL

As of the date of this prospectus, the Corporation has not granted any share based or option-based awards to the Named Executive Officers.

Director Compensation

The following table sets forth the compensation paid to the Corporation's Directors for the years ended December 31, 2020 and December 31, 2019.

<i>Name</i>	<i>Fees earned</i> <i>(\$)</i>	<i>Shared-based awards</i> <i>(\$)</i>	<i>Option-based awards</i> <i>(\$)</i>	<i>Non-equity incentive plan compensation</i> <i>(\$)</i>	<i>Pension Value</i> <i>(\$)</i>	<i>All other compensation</i> <i>(\$)</i>	<i>Total</i> <i>(\$)</i>
<i>David Eaton</i>	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<i>Brent Hahn</i>	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<i>James McCrea</i>	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<i>Jesse Hahn</i>	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Compensation arrangements for Directors is determined by the Board on a case by case basis and negotiated between the Board and the Director to be compensated.

Termination and Change of Control Benefits

There are no management or consulting agreements with any directors or officers of the Corporation that provide for payments to an officer or director, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the company or a change in a director's or officer's responsibilities.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not as of the date of this prospectus, nor has there been since inception on March 21, 2018, any indebtedness of any Director, executive officer, senior officer, employee or any former director, executive officer, employee or senior officer or any associate of any of them, to or guaranteed or supported by the Corporation either pursuant to an employee stock purchase program of the Corporation or otherwise, and no such individual is or has been indebted to any other entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit, or similar arrangement or understanding by the Corporation.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

Audit Committee Charter

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board of Directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

On March 21, 2018 the Board of Directors adopted a charter delineating the Audit Committee's responsibilities. The Audit Committee Charter is attached to this prospectus as Schedule "A".

Composition of Audit Committee

The following persons are members of the Corporation's audit committee:

Name

<i>David Eaton</i>	Independent	Financially literate
<i>Brent Hahn</i>	Not independent	Financially literate
<i>Jesse Hahn</i>	Independent	Financially literate

Relevant Education and Experience

All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements, and have an understanding of internal controls. The members of the Audit Committee intend to maintain their currency by periodically taking continuing education courses.

The education and experience of each Audit Committee member that is relevant to the performance of his/her responsibilities as an Audit Committee member is as follows:

Brent Hahn

Since 1979, Mr. Hahn has been an entrepreneur building businesses from the ground up. From the oil patch, construction and automotive industries, he has built and sold a number of successful businesses. He has been involved in the development of several mining and exploration projects. Mr. Hahn has held positions as Chief Executive Officer and director for numerous companies in the past. At present, Mr. Hahn is President/CEO of Sennen Potash Corporation (TSX.V-SN) and Director of Remington Resource Inc. (TSX.V-RGM).

David Eaton

Mr. Eaton has been involved the capital markets since 1981, starting as a floor trader at the Vancouver Stock Exchange. Throughout his career he has been active in all aspects of the corporate finance industry, consulting to both public and private companies in the areas of investor relations, arranging financings and corporate transactions. Since 2007 he has been Chairman at Baron Global Financial Canada Ltd., a subsidiary of the Hong Kong Stock Exchange Member Firm VBG Group. Baron Global Financial Canada Ltd. provides merchant banking services in the areas of financing, transaction planning, corporate transactions, public listings and ongoing public company management.

Jesse Hahn

Mr. Hahn holds a BSc in Environmental Science with a focus on Environmental Economics & Policy. He brings over a decade of experience in agrology, waste management, reclamation and business development in emerging technology industries. He is a Professional Agrologist in good standing with the Alberta Institute of Agrologists. Mr. Hahn currently holds a position as Director of Sennen Potash Corporation (TSX.V-SN) and Remington Resource Inc. (TSX.V-RGM).

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the following exemptions:

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

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. However, the Corporation's Audit Committee Charter states that Audit Committee must pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Corporation by the Auditor.

External Auditor Fees

The aggregate fees billed to the Corporation for the services provided by the external auditor for the fiscal years ended December 31, 2020 and 2019 are as follows:

<i>Name</i>	<i>Year ended December 31, 2020</i>	<i>Year ended December 31, 2019</i>
<i>Audit fees</i>	\$5,000	-
<i>Audit-related fees</i>	-	-
<i>Tax fees</i>	-	-
<i>All other fees</i>	-	-
<i>Total</i>	\$5,000	-

Exemption

The Corporation has relied upon the exemption provided by section 6.1 of NI 52-110, which exempts a venture issuer from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in an annual information form as prescribed by NI 52-110.

Corporate Governance

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Corporation. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

The Corporation's corporate governance practices are summarized below:

Board of Directors

The Board of Directors is currently comprised of three members. The rules of the Exchange do not have independent director requirements. An "independent" director is a director who has no direct or indirect material

relationship with the Corporation. A material relationship is a relationship, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director's independent judgment. Barry Hartley and Brent Hahn are independent directors of the Corporation, as aside from Common Shares held by them they have no ongoing interest or relationship with the Corporation other than serving as directors. Brent Hahn is not an independent director because of his position as executive officer and President of the Corporation.

Directorships

All three directors are directors of other companies as follows:

Brent Hahn	Ivor Exploration Inc., Waraba Gold Limited, Zenith Exploration Inc.
David Eaton	Jayden Resources Inc., Vapen MJ Ventures Corporation, VEXT Science, Inc.
Jesse Hahn	High Point Exploration Inc., Top Exploration Inc., Zenith Exploration Inc.
James McCrea	Ardonblue Ventures Inc., High Point Exploration Inc., Juggernaut Exploration Ltd., Zenith Exploration Inc.

Orientation and Continuing Education

The Board of Directors provides an overview of the Corporation's business activities; systems and business plan to all new directors. New director candidates have free access to any of the Corporation's records, employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Corporation. The Directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

Ethical Business Conduct

The Board of Directors believes good corporate governance is an integral component to the success of the Corporation and to meet responsibilities to shareholders. Generally, the Board of Directors has found that the fiduciary duties placed on individual directors by the Corporation'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 of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Corporation.

The Board of Directors is also responsible for applying governance principles and practices, and tracking development in corporate governance, and adapting "best practices" to suit the needs of the Corporation. Certain of the Directors of the Corporation may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance -with and are subject to such other procedures and remedies as applicable under the BCA.

Nomination of Directors

The Board of Directors has not formed a nominating committee or similar committee to assist the Board of Directors with the nomination of directors for the Corporation. The Board of Directors considers itself too small to warrant creation of such a committee; and each of the Directors has contacts he can draw upon to identify new members of the Board of Directors as needed from time to time.

The Board of Directors will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic direction of the Corporation. As required, directors will recommend suitable candidates for consideration as members of the Board

of Directors.

Compensation

The Board of Directors reviews the compensation of its directors and executive officers annually. The Directors will determine compensation of directors and executive officers taking into account the Corporation's business ventures and the Corporation's financial position. See "Executive Compensation".

Other Board Committees

The Corporation has established an Audit Committee. There are no other committees of the Board of Directors

Assessments

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Corporation's small size and the Corporation's stage of development, the Board of Directors considers a formal assessment process to be inappropriate at this time. The Board of Directors plans to continue evaluating its own effectiveness on an ad hoc basis.

The Board of Directors does not formally assess the performance or contribution of individual Board members or committee members.

Listing of Common Shares on the Exchange

The Corporation has applied to list its Common Shares on the Exchange. Listing of the Common Shares is subject to the Corporation fulfilling all the listing requirements of the Exchange.

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

RISK FACTORS

An investment in the Corporation is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Corporation. The Directors consider the following risks and other factors to be the most significant for potential investors in the Corporation, but the risks listed do not necessarily comprise all those associated with an investment in the Corporation and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Corporation's business.

If any of the following risks actually occur, the Corporation's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of the Common Shares could decline and investors may lose all or part of their investment.

Substantial Number of Authorized but Unissued Shares

The Corporation has an unlimited number of Common Shares that may be issued by the Board of Directors without further action or approval of the Corporation's shareholders. While the Board of Directors is required to fulfill its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Corporation's shareholders.

Dilution

The financial risk of the Corporation's future activities will be borne to a significant degree by purchasers of the Common Shares. If the Corporation issues Common Shares from its treasury for financing purposes, control of the Corporation may change and purchasers may suffer additional dilution.

No Market for Securities

There is currently no market through which any of the Common Shares, may be sold and there is no assurance that such securities of the Corporation will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a stock exchange, holders of the Common Shares may not be able to sell their Common Shares. Even if a listing is obtained, there can be no assurance that an active public market for the Common Shares will develop or be sustained after completion of the Offering. The offering price determined by negotiation between the Corporation and the Agent was based upon several factors and may bear no relationship to the price that will prevail in the public market. The holding of Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Common Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Negative Cash Flow from Operating Activities

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

Current Market Volatility

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

Use of Funds

The Corporation has prepared a detailed budget setting out the way in which it proposes to expend the funds. However, the quantum and timing of expenditure will necessarily be dependent upon receiving positive results from the Corporation's exploration activities on the McGill Property. As the Corporation conducts its exploration program, it is possible that results and circumstances may dictate a departure from the pre-existing budget. Further, the Corporation may, from time to time as opportunities arise, utilise part of its financial resources to participate in additional opportunities that arise and fit within the Corporation's broader objectives, as a means of advancing shareholder value.

No Production History

The McGill Property are non-producing properties and its ultimate success will depend on its operating ability to generate cash flow from producing properties in the future. The Corporation has not generated any revenue to date and there is no assurance that it will do so in the future.

The Corporation's business operations are at an early stage of development and its success will be largely dependent upon the outcome of the exploration programs that the Corporation proposes to undertake.

Limited Operating History

The Corporation has no properties producing positive cash flow and its ultimate success will depend on its ability to generate cash flow from producing properties in the future. The Corporation has not earned profits to date and there is no assurance that it will do so in the future. Significant capital investment will be required to achieve commercial production from the Corporation's existing projects. There is no assurance that the Corporation will be able to raise the required funds to continue these activities.

Exploration, Mining and Operational Risks

The business of exploring for and mining minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, the McGill Property do not have any known mineral resources or reserves and the proposed exploration and drilling programs are an exploratory search for such mineral resources or reserves.

The Corporation's operations are subject to all the hazards and risks normally associated with the exploration, development and mining of minerals, any of which could result in risk to life, to property, or to the environment. The Corporation's operations may be subject to disruptions caused by unusual or unexpected formations, formation pressures, fires, power failures and labour disputes, flooding, explosions, cave-ins, landslides, the inability to obtain suitable or adequate equipment, machinery, labour or adverse weather conditions. The availability of insurance for such hazards and risks is extremely limited or uneconomical at this time.

In the event the Corporation is fortunate enough to discover a mineral deposit, the economics of commercial production depend on many factors, including the cost of operations, the size and quality of the mineral deposit, proximity to infrastructure, financing costs and Government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting minerals and environmental protection. The effects of these factors cannot be accurately predicted, but any combination of these factors could adversely affect the economics of commencement or continuation of commercial mineral production.

Mining Claims

The Corporation's prospecting activities are dependent upon the grant of appropriate mineral tenures and regulatory comments, which may be withdrawn or made subject to limitations. Mineral claims are renewable subject to certain expenditure requirements. Although the Corporation believes that it will obtain the necessary prospecting licenses and permits, including but not limited to drill permits, there can be no assurance that they will be granted or as to the terms of any such grant. Furthermore, the Corporation is required to expend required amounts on the mineral claims of the McGill Property in order to maintain them in good standing. If the Corporation is unable to expend these amounts, the Corporation may lose its title thereto on the expiry date(s) of the relevant mineral claims on the McGill Property. There is no assurance that, in the event of losing its title to mineral claims, the Corporation will be able to register the mineral claims in its name without a third party registering its interest first.

Land Claims

Aboriginal rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's recent decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared Aboriginal title to lands outside of a reserve. The Corporation is not aware of any Aboriginal land claims having been asserted or any legal actions relating to first nation issues having been instituted with respect to any of the land, which is covered by the McGill Property. The legal basis of a land claim is a matter of considerable legal complexity and the impact of a land claim settlement and self-government agreements cannot be predicted with certainty. In the event that aboriginal title is asserted and proved on the McGill Property, provincial and federal laws will continue to be valid provided that any infringements of aboriginal title, including mining and exploration are either consented to by Aboriginal groups or are justified. However, no assurance can be given that a broad recognition of aboriginal rights by way of a negotiated settlement or judicial pronouncement would not have an adverse effect on the Corporation's activities. Such impact could be marked and, in certain circumstances, could delay or even prevent the Corporation's exploration or mining activities.

Assurance of Title

The Corporation has taken all reasonable steps to attempt to ensure that proper title to the McGill Property has been obtained and that all grants of such rights thereunder, if any, have been registered with the appropriate public offices. Despite the due diligence conducted by the Corporation, there is no guarantee that title to such McGill Property will not be challenged or impugned. The Corporation's mineral property interests may be subject to prior unregistered agreements or transfers or aboriginal land claims and title may be affected by undetected defects.

Possible Loss of Interests in McGill Property

The McGill Option Agreement pursuant to which the Corporation acquired its interest in the McGill Property requires the Corporation to make a series of payments in cash and to issue Common Shares over certain time periods and expend certain minimum amounts on the exploration of the McGill Property. If the Corporation fails to make such payments or expenditures within the prescribed time periods, the Corporation may lose its interest in the McGill Property without any recourse.

Possible Failure to Obtain Mining Licenses

Even if the Corporation does complete the required exploration activities on the McGill Property, it may not be able to obtain the necessary licences or permits to conduct mining operations, and thus would realize no benefit from such exploration activities.

Competition

The Corporation competes with numerous other companies and individuals possessing greater financial resources and technical facilities than itself in the search for, and acquisition of, mineral claims, leases and other mineral interests, as well as the recruitment and retention of suitably qualified individuals.

Conflicts of Interest

All of the Corporation's Directors and officers act as directors and/or officers of other mineral exploration companies. As such, the Corporation's Directors and officers may be faced with conflicts of interests when evaluating alternative mineral exploration opportunities. In addition, the Corporation's Directors and officers may prioritize the business affairs of another corporation over the affairs of the Corporation.

Personnel

The Corporation has a small management team and the loss of any key individual could affect the Corporation's business. Additionally, the Corporation will be required to secure other personnel to facilitate its exploration program on the McGill Property. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Corporation.

Volatility of Commodity Prices

The market prices of commodities, including gold and silver, are volatile and are affected by numerous factors, which are beyond the Corporation's control. These factors include international supply and demand, consumer product demand, international economic trends, currency exchange rate fluctuations, interest rates, inflation, global or regional political events, as well as a range of other market forces. Sustained downward movements in commodity prices, including gold or silver, could render less economic, or uneconomic, some or all of the exploration activities to be undertaken by the Corporation.

Environmental Risks and Other Regulatory Requirements

Inherent with mining operations is an environmental risk. The current or future operations of the Corporation, including exploration and development activities and commencement of production on the McGill Property, require permits from various governmental authorities. Such operations are governed by laws and regulations that govern prospecting, mining, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production as a result of needing to comply with applicable laws, regulations and permits. There can be no assurance that all permits that the Corporation requires for future, exploration, development, construction and operation of mining facilities and the conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on the operations of the Corporation.

The legal framework governing this area is constantly developing, therefore the Corporation is unable to fully ascertain any future liability that may arise from the implementation of any new laws or regulations, although such laws and regulations are typically strict and may impose severe penalties (financial or otherwise). The proposed activities of the Corporation, as with any exploration, may have an environmental impact which may result in unbudgeted delays, damage, loss and other costs and obligations including, without limitation, rehabilitation and/or compensation. There is also a risk that the Corporation's operations and financial position may be adversely affected by the actions of environmental groups or any other group or person opposed in general to the Corporation's activities and, in particular, the proposed exploration and mining by the Corporation within the Province of British Columbia.

Uninsured Risks

The Corporation, as a participant in exploration and mining programs, may become subject to liability for hazards such as unusual geological or unexpected operating conditions that cannot be insured against or against which it may elect not to be so insured because of high premium costs or other reasons. The Corporation is currently uninsured against all such risks as such insurance is either unavailable or uneconomic at this time. The Corporation also currently has no keyman insurance or property insurance as such insurance is uneconomical at this time. The Corporation will obtain such insurance once it is available and, in the opinion of the Directors, economical to do so. The Corporation may incur a liability to third parties (in excess of any insurance coverage) arising from pollution or other damage or injury.

The Corporation is not insured against most environmental risks. Insurance against environmental risks has not been generally available to companies within the mining and exploration industry. Without such insurance, and if the Corporation does become subject to environmental liabilities, the costs of such liabilities would reduce or eliminate the Corporation's available funds or could result in bankruptcy. Should the Corporation be unable to fully fund the remedial costs of an environmental problem, it may be required to enter into interim compliance measures pending completion of the required remedy.

Health and Safety Risks

A violation of health and safety laws, or the failure to comply with the instructions of relevant health and safety authorities, could lead to, among other things, a temporary cessation of activities on the McGill Property or any part thereof, a loss of the right to prospect for minerals, or the imposition of costly compliance procedures. This could have a material adverse effect on the Corporation's operations and/or financial condition.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to subscribing for the securities.

Additional Requirements for Capital

Substantial additional financing will be required if the Corporation is to be successful in pursuing its ultimate strategy of discovering and extracting mineral resources. No assurances can be given that the Corporation will be able to raise the additional capital that it may require for its anticipated future operations. Commodity prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures, operating expenses, geological results and the political environment are all factors which will have an impact on the amount of additional capital that may be required. Any additional equity financing may be dilutive to investors and debt

financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Corporation, if at all. If the Corporation is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, forfeit its interest in the McGill Property, incur financial penalties, or reduce or terminate its operations.

Smaller Companies

The share price of publicly traded smaller companies can be highly volatile. The value of the Common Shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the Common Shares.

Liquidity of the Common Shares

Listing on the Exchange should not be taken as implying that there will be a liquid market for the Common Shares. Thus, an investment in the Common Shares may be difficult to realise. Investors should be aware that the value of the Common Shares may be volatile. Investors may, on disposing of Common Shares, realise less than their original investment, or may lose their entire investment. The Common Shares, therefore, may not be suitable as a short-term investment.

The market price of the Common Shares may not reflect the underlying value of the Corporation's net assets. The price at which the Common Shares will be traded, and the price at which investors may realise their Common Shares, will be influenced by a large number of factors, some specific to the Corporation and its proposed operations, and some that may affect the sectors in which the Corporation operates. Such factors could include the performance of the Corporation's operations, large purchases or sales of the Common Shares, liquidity or the absence of liquidity in the Common Shares, legislative or regulatory changes relating to the business of the Corporation, and general market and economic conditions.

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Corporation, the risks noted above do not necessarily comprise all those potentially faced by the Corporation as it is impossible to foresee all possible risks.

Although the Directors will seek to minimise the impact of the risk factors, an investment in the Corporation should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specialises in investments of this nature before making any decision to invest.

COVID-19 Pandemic Risks

The Corporation's business could be significantly adversely affected by the effects of any widespread global outbreak of contagious disease. A significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies, industries and financial markets of many countries, resulting in an economic downturn and cancellation of mineral exploration projects that could affect the Corporation's ability to conduct mineral exploration activities. In particular, the recent outbreak of the novel corona virus ("COVID-19") has had a negative impact on global financial conditions, services, travel, manufacturing and exploration activities. The Corporation cannot accurately predict the impact COVID-19 will have on the Corporation's ability to remain open in response to government public health efforts to contain

COVID-19 and to obtain financing or third parties' ability to meet their obligations with the Corporation, including due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, the loss of work force and human lives, potential social unrest, and the length of travel and quarantine restrictions imposed by governments of affected countries; and future demand of minerals. In the event that the prevalence of the corona virus continues to increase (or fears in respect of the corona virus continue to increase), governments may increase regulations and restrictions regarding the flow of labour or products, and travel bans, and the Corporation's operations, suppliers, service providers and ability to advance its projects and conduct mineral exploration activities could be adversely affected. In particular, should any employees or consultants of the Corporation become infected with COVID-19 or similar pathogens, it could have a material negative impact on the Corporation's operations and prospects.

PROMOTERS

Brent Hahn, the Corporation's President, Chief Executive Officer and Director, took the initiative in the primary organization of the Corporation and accordingly is a promoter of the Corporation. Mr. Hahn owns 50,000 Common Shares of the Corporation, which is 40.80% of the Common Shares outstanding prior to giving effect to the Offering. See "Principal Shareholders", "Directors and Executive Officers" and "Executive Compensation".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings that the Corporation is or was a party to, or that any of the Corporation's property is or was the subject of, since March 21, 2018, that were or are material to the Corporation, and there are no such material legal proceedings that the Corporation knows to be contemplated.

There were no: (i) penalties or sanctions imposed against the Corporation by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since inception on March 21, 2018; (ii) other penalties or sanctions imposed by a court or regulatory body against the Corporation that the Corporation believes must be disclosed for this prospectus to contain full, true and plain disclosure of all material facts relating to the Common Shares; or (iii) settlement agreements the Corporation entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since inception on March 21, 2018.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the Directors or executive officers of the Corporation, and no associate or affiliate of the foregoing persons, has, or has had, any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or will materially affect the Corporation or any of its subsidiaries.

RELATIONSHIP BETWEEN CORPORATION AND AGENT

The Corporation is not a "related issuer" or a "connected issuer" of or to an Agent (as such terms are defined in National Instrument 33-105 – *Underwriter Conflicts*). The Corporation did not raise any proceeds using an Agent.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are Adam Sung Kim Ltd., located at 1850 – 1066 West Hastings Street, Vancouver B.C. V6E 3X2.

The transfer agent and registrar for the Common Shares is Endeavor Trust Corporation, located at Suite 702 - 777 Hornby Street, Vancouver, BC, V6Z 1S4.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts which have been entered into by the Corporation as of the date hereof or which will be entered into prior to the Closing of this Offering and which are regarded presently as material are:

1. McGill Option Agreement dated October 5, 2020 between the Corporation and Homegold Resources Ltd. See “Business of the Company”.
2. Stock Option Plan adopted March 17, 2018. See “Description of the Securities Distributed”.
3. Escrow Agreement adopted March 30, 2021. See “Escrowed Securities and Securities Subject to Contractual Restriction or Transfer.”

EXPERTS

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

1. Sean P. Butler, P. Geo. of Burnaby, British Columbia, is an independent consulting geologist and is a “qualified person” as defined in NI 43-101 and is the author responsible for the preparation of the Technical Report on the McGill Property.
2. The audited financial statements included in this prospectus have been subject to audit by Adam Sung Kim Ltd., and their audit report is included herein. Adam Sung Kim Ltd., is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

In addition, certain legal matters relating to the non-offering prospectus and CSE listing will be passed upon on behalf of the Corporation by Cassels Brock & Blackwell LLP.

None of the foregoing persons or companies have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Corporation or of its associates or affiliates when such person or company prepared the report, valuation, statement or opinion aforementioned or thereafter.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in British Columbia provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission are exercised by the purchaser within the time limit prescribed by securities legislation of British Columbia. The purchaser should refer to any applicable provisions of the securities legislation of British Columbia for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

Audited financial statements of the Corporation for the years ended December 31, 2020 and December 31, 2019 are included in this prospectus and its corresponding management's discussion and analysis.

**SCHEDULE “A” – AUDIT COMMITTEE CHARTER
CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS
OF PRISMA CAPITAL INC.
(the “Company”)**

Purpose of the Committee

The purpose of the audit committee (the “Audit Committee”) of the directors of the Corporation (the “Board”) is to provide an open avenue of communication between management, the Corporation’s independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Corporation’s financial reporting and disclosure practices;
- the Corporation’s compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Corporation’s auditor.

The Audit Committee shall also perform any other activities consistent with this Charter, the Corporation’s articles and governing laws as the Audit Committee or Board deems necessary or appropriate.

The Audit Committee shall consist of at least three directors. Members of the Audit Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Audit Committee shall elect a Chairman from among their number. A majority of the members of the Audit Committee must not be officers or employees of the Corporation or of an affiliate of the Corporation. The quorum for a meeting of the Audit Committee is a majority of the members who are not officers or employees of the Corporation or of an affiliate of the Corporation. With the exception of the foregoing quorum requirement, the Audit Committee may determine its own audit procedures.

The Audit Committee’s role is one of oversight. Management is responsible for preparing the Corporation’s financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor’s responsibility is to audit the Corporation’s financial statements and provide its opinion, based on its audit conducted in accordance with IFRS, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Corporation in accordance with IFRS.

The Audit Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Corporation’s financial statements, preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation, and for reviewing and recommending the compensation of the independent auditor. The independent auditor shall report directly to the Audit Committee.

Authority and Responsibilities

In addition to the foregoing, in performing its oversight responsibilities the Audit Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Corporation’s Chief Financial Officer and Chief Executive Officer and any other

key financial executives involved in the financial reporting process.

3. Review with management and the independent auditor the adequacy and effectiveness of the Corporation's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with managements and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewing under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Corporation's financial reporting and accounting standards and principles and significant accounting standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives hereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Corporation, including consideration of the independent auditor's judgement about the quality and appropriateness of the Corporation's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Corporation by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Corporation and all non-audit work performed for the Corporation by the independent auditor.
11. Establish and review the Corporation's procedures for the:
 - Receipt, retention and treatments of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
 - Confidential, anonymous submissions by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Audit Committee believes is within the scope of its responsibilities. The Audit Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Corporation.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of National Instrument 52-110 of the Canadian Securities Administrators, the Business Corporations Act (British Columbia) and the articles of the Corporation.

SCHEDULE “B” – FINANCIAL STATEMENTS AND MD&A

Prisma Capital Inc.
Financial Statements
For the Years Ended December 31, 2020 and 2019
(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
Prisma Capital Inc.

Opinion

I have audited the financial statements of Prisma Capital Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2020 and December 31, 2019, and the statements of loss and comprehensive loss, statements of cash flows and statements of changes in equity for the year ended December 31, 2020 and December 31, 2019, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and December 31, 2019, and its financial performance and its cash flow for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Material Uncertainty Related to Going Concern

I draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$7,886 during the year ended December 31, 2020 and, as of that date, the Company had not yet achieved profitable operations, had accumulated losses of \$7,921 since its inception, and expects to incur further losses in the development of its business. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

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

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

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Company to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Adam Kim, CPA, CA.

"DRAFT"

Chartered Professional Accountant

UNIT# 168
4300 NORTH FRASER WAY
BURNABY, BC V5J 5J8
February 25, 2021

Prisma Capital Inc.
Statements of Financial Position
(Expressed in Canadian Dollars)

	Notes	December 31, 2020	December 31, 2019
ASSETS			
Current assets			
Cash		\$ 56,114	\$ 13,515
		56,114	13,515
Non-current assets			
Exploration and evaluation assets	4	72,760	-
TOTAL ASSETS		\$ 128,874	\$ 13,515
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 5,000	\$ -
TOTAL LIABILITIES		5,000	-
SHAREHOLDERS' EQUITY			
Share capital	5	\$ 131,795	\$ 13,700
Share subscriptions		-	(150)
Accumulated deficit		(7,921)	(35)
TOTAL SHAREHOLDERS' EQUITY		123,874	13,515
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 128,874	\$ 13,515

Nature and continuance of operations (Note 1)

Approved by the board of directors and authorized for issue on February 25, 2021:

"Brent Hahn"
Brent Hahn, Director

"David Eaton"
David Eaton, Director

See accompanying notes to the financial statements.

Prisma Capital Inc.

Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Year ended December 31, 2020	Year ended December 31, 2019
Expenses		
Office and administration costs	\$ 496	35
Filing and regulatory fees	5,643	-
Professional and consulting fees	1,747	-
Net loss and comprehensive loss	\$ (7,886)	\$ (35)
Loss per share – basic and diluted	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	1,651,221	9,760

See accompanying notes to the financial statements.

Prisma Capital Inc.

Statement of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

		<u>Share capital</u>				
	Notes	Number of shares	Amount	Share Subscriptions	Accumulated Deficit	Total Shareholders' Equity
Balance as at December 31, 2018		1	\$ -	\$ -	\$ -	\$ -
Share issuance for cash	5	274,000	13,700	(150)	-	13,550
Net loss		-	-	-	(35)	(35)
Balance at December 31, 2019		274,001	\$ 13,700	\$ (150)	\$ (35)	\$ 13,515
Share issuance for cash	5	4,086,900	115,595	150	-	115,745
Share issuance for acquisition of property interests	4,5	100,000	2,500	-	-	2,500
Net loss		-	-	-	(7,886)	(7,886)
Balance at December 31, 2020		4,460,901	\$ 131,795	\$ -	\$ (7,921)	\$ 123,874

See accompanying notes to the financial statements.

Prisma Capital Inc.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year ended December 31, 2020	Year ended December 31, 2019
Operating activities		
Net loss	\$ (7,886)	\$ (35)
Changes in working capital:		
Accounts payable and accrued liabilities	2,240	-
Net cash flows provided by operating activities	(5,646)	(35)
Investing activities		
Acquisition of property interests	(7,500)	-
Exploration expenditures	(60,000)	-
Net cash flows used in investing activities	(67,500)	-
Financing activities		
Net proceeds from issuance of common shares	115,745	13,550
Net cash flows provided by financing activities	115,745	13,550
Net change in cash	42,599	13,515
Cash, beginning	13,515	-
Cash, ending	\$ 56,114	\$ 13,515
Non-cash activities:		
Shares issued for acquisition of property interest	\$ 2,500	\$ -
Cash paid:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

See accompanying notes to the financial statements.

Prisma Capital Inc.

Notes to the Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

1. Nature and continuance of operations

Prisma Capital Inc. (the “Company”) was incorporated on March 21, 2018, under the laws of the Province of British Columbia, Canada. The Company is a private resource exploration company and is focused on the acquisition, exploration and development of mineral properties.

The head office, records office and registered address of the Company are located at 789 West Pender Street, Suite 1080, Vancouver, British Columbia, Canada V6C 1H2.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. At December 31, 2020, the Company had not yet achieved profitable operations and had accumulated losses of \$7,921 since its inception. The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company’s ability to continue as a going concern. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company’s continuation as a going concern is dependent upon the successful results from its business activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These financial statements do not give effect to adjustments to the carrying value and classification of assets and liabilities and related expense that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption is not appropriate, material adjustments to the financial statements could be required.

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as “COVID- 19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

2. Statement of compliance and basis of presentation

Statement of compliance

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

Basis of presentation

These financial statements have been prepared on a historical cost basis except for some financial instruments classified in accordance with measurements standards under IFRS. These financial statements are presented in Canadian dollars unless otherwise specified.

Prisma Capital Inc.

Notes to the Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

3. Significant accounting policies

Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates. The most significant accounts that require estimates as the basis for determining the stated amounts include valuation of share-based payments and recognition of deferred income tax.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Economic recoverability and probability of future economic benefits of mineral properties

Management has determined that mineral property costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and other technical information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Financial instruments

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

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 if the Company has opted to measure them at FVTPL.

The following table shows the classification under IFRS 9:

	Classification under IFRS 9
Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Prisma Capital Inc.

Notes to the Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

3. Significant accounting policies (continued)

Financial instruments (continued)

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

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

Debt investments at FVTOCI

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

Equity investments at FVTOCI

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

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve-month expected credit losses. The Company shall recognize in the statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

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 loss.

Prisma Capital Inc.

Notes to the Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

3. Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities

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

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

Exploration and evaluation assets

Exploration and evaluation expenditures relating to mineral properties include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

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

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, or (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

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

From time to time, the Company acquires or disposes of properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are recorded as mineral property costs or recoveries when the payments are made or received. After costs are recovered, the balance of the payments received is recorded as a gain on disposition of a mineral property. Any revenue, including the receipt of fees and similar payments, earned prior to the commencement of commercial production, and reasonably attributable to the costs historically incurred on a property, is also offset against those costs as received.

The Company capitalizes all costs, net of any recoveries, of acquiring, exploring and evaluating an exploration and evaluation asset, until the right to which they relate is placed into production, at which time these deferred

costs will be amortized over the estimated useful life of the right upon commissioning the property, or written-off if the right is disposed of, impaired or abandoned.

Management reviews the carrying amounts of mineral rights annually or when there are indicators of impairment and will recognize impairment based upon current exploration results and upon assessment of the probability of profitable exploitation of the rights.

An indication of impairment includes but is not limited to expiration of the right to explore, absence of planned or budgeted substantive expenditure in the specific area, and the decision to discontinue exploration activity in a specific area.

Prisma Capital Inc.

Notes to the Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

3. Significant accounting policies (continued)

Impairment of assets

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

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

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

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

Leases

On January 1, 2020, the Company adopted IFRS 16. IFRS 16 – Leases is a new standard which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. It introduces a single lessee accounting model that requires the recognition of all assets and liabilities arising from the lease. The adoption of IFRS 16 did not have a material impact on the financial statements as the Company has no leases.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to reserves. The fair value of options is determined using the Black–Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Prisma Capital Inc.

Notes to the Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

3. Significant accounting policies (continued)

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

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

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

4. Exploration and evaluation assets

McGillivray Property

On October 5, 2020, the Company entered into an option agreement to acquire 100% undivided interest in twenty (20) mineral claims comprising the property called "McGillivray" located near Lytton, in the Kamloops Mining Division of British Columbia.

In consideration for the 100% undivided interest in the property, the Company shall pay the aggregate sum of \$212,500 which includes the deposit of \$7,500, as paid at the time of signing of the agreement, issue to the optionor a total of 900,000 shares and complete a minimum expenditure, as per the below schedule:

<u>Date</u>	<u>Shares</u>	<u>Cash Payment</u>	<u>Expenditures</u>
On signing	100,000 (issued)	\$ 7,500 (paid) \$	55,000 (met)
1st anniversary	100,000	10,000	-
2nd anniversary	100,000	15,000	50,000
3rd anniversary	200,000	30,000	-
4th anniversary	200,000	50,000	50,000
5th anniversary	200,000	100,000	-
Total	900,000	\$ 212,500	\$ 155,000

Prisma Capital Inc.

Notes to the Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

4. Exploration and evaluation assets (continued)

Further, under the McGillivray option agreement, the Company and the optionor have also agreed upon a net smelter return royalty, pursuant to the terms and consideration of which the optionor shall receive a net smelter return royalty of 2% from the Company. On the commencement of commercial production, the net smelter return royalty shall be increased to 3%.

The following is a description of the Company's exploration and evaluation asset and the related expenditures incurred for the year ended December 31, 2020:

	McGillivray Property	
Property acquisition costs		
Balance, beginning of year	\$	-
Additions		10,000
Balance, end of year	\$	10,000
Exploration and evaluation costs		
Balance, beginning of year	\$	-
Costs incurred during year:		
Assaying		4,440
Consulting		18,533
Maintenance		6,046
Geological		31,465
Travel and accommodation		2,276
Balance, end of year		62,760
Total	\$	72,760

5. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At December 31, 2020, there were 4,460,901 (December 31, 2019 – 274,001) issued and fully paid common shares.

During the year ended December 31, 2020

On January 13, 2020, the Company completed a non-brokered private placement and issued 536,900 common shares of the Company at a price of \$0.05 per share for gross cash proceeds of \$26,845.

On October 5, 2020, the Company issued 100,000 shares pursuant to the acquisition of the McGillivray Property (Note 4).

On October 9, 2020, the Company completed another non-brokered private placement and issued 3,550,000 common shares of the Company at a price of \$0.025 per share for gross cash proceeds of \$88,750.

5. Share capital (continued)

Prisma Capital Inc.

Notes to the Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

During the year ended December 31, 2019

On December 19, 2019, the Company completed a non-brokered private placement financing, issuing 274,000 common shares of the Company at a price of \$0.05 per share for gross proceeds of \$13,700.

Stock options

The Company has not issued any options and no options were outstanding as at December 31, 2020 and 2019.

Warrants

The Company has not issued any warrants and no warrants are outstanding as at December 31, 2020 and 2019.

6. Related party transactions

As at December 31, 2020 and 2019, the Company had no amounts due to the related party.

The Company did not have any related party transaction during the year ended December 31, 2020 and 2019.

7. Income taxes

The income taxes shown in the consolidated statements of loss and comprehensive loss differ from the amounts obtained by applying statutory rates to the loss before income taxes due to the following:

	December 31, 2020	December 31, 2019
Statutory tax rate	27.0%	27.0%
Loss before income taxes	\$ 7,886	\$ 35
Expected income tax recovery	(2,129)	(9)
Increase (decrease) in income tax recovery resulting from:		
Items deductible and not deductible for income tax purposes	-	-
Current and prior tax attributes not recognized	2,129	9
Deferred income tax recovery	\$ -	\$ -

Details of deferred tax assets are as follows:

	December 31, 2020	December 31, 2019
Non-capital losses	\$ 2,139	\$ 9
Mineral property and others	-	-
	2,139	9
Less: Unrecognized deferred tax assets	(2,139)	(9)
	\$ -	\$ -

The Company has approximately \$8,000 of non-capital losses available, which begin to expire in 2039 through to 2040 and may be applied against future taxable income. The Company also has approximately \$73,000 of exploration and development costs which are available for deduction against future income for tax purposes. At December 31, 2020, the net amount which would give rise to a deferred income tax asset has not been recognized as it is not probable that such benefit will be utilized in the future years.

Prisma Capital Inc.

Notes to the Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

8. Financial instruments

Fair value

The Company's financial instruments consist of cash, accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these investments. All financial instruments are classified as Level 1.

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

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

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is not exposed to credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Interest rate risk

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

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash.

There were no changes in the Company's approach to capital management during the year ended December 31, 2020.

The Company is not subject to any externally imposed capital requirements.

9. Segmented information

The Company operates in a single reportable operating segment – exploration of mineral properties.

Prisma Capital Inc.

Management's Discussion and Analysis

For the Years Ended December 31, 2020 and 2019

General

This management discussion and analysis should be read in conjunction with the audited financial statements and related notes thereto of Prisma Capital Inc. (the "Company") for the years ended December 31, 2020 and 2019 (the "Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board. All amounts in the financial statements and this discussion and analysis are presented in Canadian dollars, unless otherwise indicated. This Management Discussion and Analysis ("MD&A") is dated February 25, 2021 and discloses specified information up to that date.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable.

This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

Description of Business

The Company is a private resource exploration company and is focused on the acquisition, exploration, and development of mineral properties.

Highlights -Year Ended December 31, 2020

During the year ended December 31, 2020, the Company completed two non-brokered private placements. The first non-brokered private placement was completed on January 13, 2020, pursuant to which the Company issued 536,900 common shares of the Company at a price of \$0.05 per share for gross cash proceeds of \$26,845 and the second non-brokered private placement was completed on October 9, 2020 issuing 3,550,000 common shares at a price of \$0.025 per share for gross cash proceeds of \$88,750. The Company also issued 100,000 shares under the arrangement of the McGillivray Option Agreement for acquisition of 100% undivided interest in the McGillivray Property.

Exploration and evaluation assets

McGillivray Property

On October 5, 2020, the Company entered into a definitive agreement to acquire 100% undivided interest in twenty (20) mineral claims comprising the property called "McGillivray" located near Lytton, in the Kamloops Mining Division of British Columbia.

In consideration for the 100% undivided interest in the property, the Company shall pay the aggregate sum of \$212,500 which includes the deposit of \$7,500, as paid at the time of signing of the agreement, issue to the optionor a total of 900,000 shares and complete a minimum expenditure, as per the below schedule:

Date	Shares	Cash Payment	Expenditures
On signing	100,000 (issued)	\$ 7,500 (paid)	\$ 55,000 (met)
1st anniversary	100,000	10,000	-
2nd anniversary	100,000	15,000	50,000
3rd anniversary	200,000	30,000	-
4th anniversary	200,000	50,000	50,000
5th anniversary	200,000	100,000	-
Total	900,000	\$ 212,500	\$ 155,000

Further, under the McGillivray Option Agreement, the Company and the optionor have also agreed upon a net smelter return royalty, pursuant to the terms and consideration of which the optionor shall receive a net smelter return royalty of 2% from the Company. On the commencement of commercial production, the net smelter return royalty shall be increased to 3%.

The following is a description of the Company's exploration and evaluation asset and the related expenditures incurred for the year ended December 31, 2020:

	McGillivray Property	
Property acquisition costs		
Balance, beginning of year	\$	-
Additions		10,000
Balance, end of year	\$	10,000
Exploration and evaluation costs		
Balance, beginning of year	\$	-
Costs incurred during year:		
Assaying		4,440
Consulting		18,533
Maintenance		6,046
Geological		31,465
Travel and accommodation		2,276
Balance, end of year		62,760
Total	\$	72,760

Results of Operations

	Three months ended December 31,		Year ended December 31,	
	2020	2019	2020	2019
Expenses				
Office and administration	\$ 176	\$ 35	\$ 496	\$ 35
Filing and regulatory	-	-	5,643	-
Professional and consulting fees	1,747	-	1,747	-
Loss and comprehensive loss	\$ 1,923	\$ 35	\$ 7,886	\$ 35

Years ended December 31, 2020 and 2019

Loss and Expenses

The net loss for the year ended December 31, 2020 was \$7,886 compared to \$35 for the year ended December 31, 2019, representing an increase in loss of \$7,851.

Material variances over the comparable period are discussed below.

- Filing and regulatory fee for the year ended December 31, 2020 was \$5,643 compared to \$Nil for the year ended December 31, 2019. The increase is mainly related to the filing fees incurred for the non-brokered private placement completed by the Company during the year. The fees also include cost incurred on annual maintenance of corporate records and various other corporate filings.
- Professional and consulting fees for the year ended December 31, 2020 was \$1,747 compared to \$Nil for the year ended December 31, 2019. The increase is related to accounting fee incurred during the current year.

Three months ended December 31, 2020 and 2019

Loss and Expenses

The net loss for the three months ended December 31, 2020 was \$1,923 compared to \$35 for the three months ended December 31, 2019, representing an increase in loss of \$1,888.

Material variance over the comparable period is because of increase in professional and consulting fees for the quarter ended December 31, 2020. The fees incurred in current quarter was \$1,747 compared to \$Nil for the quarter ended December 31, 2019. The increase is related to accounting fee incurred during the current period.

Selected Annual Information

	December 31, 2020	December 31, 2019	December 31, 2018
Loss and comprehensive loss	\$ (7,886)	\$ (35)	\$ -
Loss per share – basic and diluted	(0.00)	(0.00)	-
Total asset	128,874	13,515	-
Working capital	51,114	13,515	-

Selected Quarterly Information

The following selected financial data has been prepared in accordance with IFRS and all dollar amounts are in Canadian dollars.

Quarter Ended	Loss for the period	Loss per share (Basic & Diluted)	Total Assets	Interest Income
31/Dec/20	\$1,923	0.00	\$128,874	\$Nil
30/Sep/20	\$18	0.00	\$35,040	\$Nil
30/Jun/20	\$511	0.00	\$35,058	\$Nil
31/Mar/20	\$5,434	0.01	\$35,076	\$Nil
31/Dec/19	\$35	0.00	\$13,915	\$Nil
30/Sep/19	-	-	-	-
30/Jun/19	-	-	-	-
31/Mar/19	-	-	-	-

Financial Condition, Liquidity and Capital Resources

The Company had a working capital of \$51,114 as at December 31, 2020 compared to a working capital of \$13,515 as at December 31, 2019. The Company does not currently have an active business generating positive cash flows. The Company is reliant on equity financing or shareholder loans to provide the necessary cash to acquire or participate in an active business. There can be no assurance that equity financings will be available to the Company in the future that will be obtained on terms satisfactory to the Company.

On January 13, 2020, the Company completed a non-brokered private placement and issued 536,900 common shares of the Company at a price of \$0.05 per share for gross cash proceeds of \$26,845.

On October 9, 2020, the Company completed another non-brokered private placement and issued 3,550,000 common shares of the Company at a price of \$0.025 per share for gross cash proceeds of \$88,750.

The Company has not entered into any off-balance sheet arrangements.

Related Party Transaction

Balances

As at December 31, 2020 and 2019, the Company had no amount due to the related parties.

The Company did not have any related party transaction during the year ended December 31, 2020 and 2019.

Financial Instruments and Risk Management

Fair Values

The fair values of cash, subscription receivables, accounts payable and accrued liabilities approximate their carrying values because of the short-term nature of these instruments.

Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit Risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company is not exposed to credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

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. Such fluctuations may be significant.

Interest rate risk

The Company has no cash balances and no interest-bearing debt.

Foreign currency risk

The Company is not exposed to foreign currency risk on fluctuations in exchange rates.

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 closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

COVID-19

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID- 19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

Additional share information

At December 31, 2020 and as of the date of this report, the Company had 4,460,901 (December 31, 2019 – 274,001) issued and fully paid common shares.

The Company has not issued any options and no options were outstanding as at December 31,2020 and at the date of this report.

The Company has not issued any warrants and no warrants are outstanding as at December 31, 2020 and at the date of this report.

Contingencies

The Company is not aware of any contingencies or pending legal proceedings as of as at the date of this report.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.sedar.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

Cautionary Statement on Forward Looking Information

Certain statements contained in this document constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements.

CERTIFICATE OF PRISMA CAPITAL INC.

DATED: March 31, 2021

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

"Brent Hahn"

BRENT HAHN

Chief Executive Officer, President, and
Director

"David Eaton"

DAVID EATON

Chief Financial Officer and Director

ON BEHALF OF THE BOARD OF DIRECTORS

"James McCrea"

JAMES MCCREA

Director

"Jesse Hahn"

JESSE HAHN

Director

CERTIFICATE OF PROMOTER

DATED: March 31, 2021

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

"Brent Hahn"

BRENT HAHN