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

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

PRELIMINARY PROSPECTUS

Non-Offering Prospectus January 27, 2022

MELIUS METALS CORP.

This preliminary long-form prospectus (the "**Prospectus**") is being filed with the securities regulatory authorities in Ontario, Alberta, British Columbia, and New Brunswick by Melius Metals Corp. (the "Company" or "Melius") for the purpose of becoming a reporting issuer pursuant to applicable securities legislation in the Province of Ontario. Upon the issuance of a final receipt for this Prospectus by the Ontario Securities Commission (the "OSC"), the Company will become a reporting issuer in Ontario, Alberta, British Columbia, and New Brunswick. 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 Company from its general corporate funds.

An investment in the Securities (as defined herein) is speculative and involves a high degree of risk. In reviewing this Prospectus, you should carefully consider the matters described under the heading "Risk Factors".

There is no market through which the Securities may be sold. This may affect the pricing of the Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation. See "Risk Factors" for additional information.

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

An application has been filed by the Company to have the Common Shares in the capital of the Company listed for trading on the Canadian Securities Exchange (the "CSE") under the symbol "[•]". Listing on the CSE (the "Listing") is subject to the Company fulfilling all of the listing requirements of the CSE and meeting all minimum requirements. The CSE has not conditionally approved the Company's listing application and there is no assurance that it will do so.

No underwriter 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.

Prospective investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring,

holding, or disposing of Securities, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian company that acquires Securities.

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

The Company's head office is located at 22 Leader Lane, Suite 409, Toronto, Ontario M5E 0B2.The Company's registered office is located at 22 Leader Lane, Suite 409, Toronto, Ontario M5E 0B2.

TABLE OF CONTENTS

GLOSSARY

In this Prospectus, the following capitalized terms have the following meanings, in addition to other terms defined elsewhere in this Prospectus.

"**Annual MD&A**" means management's discussion and analysis of the Company for the initial 206-Day period ended October 31 ,2021.

"**Articles**" means the Articles of Incorporation of the Company.

"**Audit Committee"** means the Audit Committee of the Board.

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

"**CEO**" or "**Chief Executive Officer**" means the Chief Executive Officer of the Company.

"**CFO**" means the Chief Financial Officer of the Company.

"**Chester Technical Report**" means the report entitled "Technical Report for the Chester Property, Northeast New Brunswick, Canada" having an effective date of August 20, 2021 and prepared by Michael B. Dufresne, M.Sc., P. Geol., Geo, Stefan Kruse, Ph.D., P. Geo., and Anetta Banas, M.Sc., P. Geol., qualified persons in accordance with NI 43-101.

"**CIM Council**" means the council of theCanadian Institute of Mining, Metallurgy and Petroleum.

"**CIM Definition Standards**" means the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014, which are incorporated by reference in NI 43-101.

"**Code**" means the Code of Business Conduct of the Company adopted by the Board on January 6, 2022.

"**Common Shares**" means the common shares in the capital of Melius as currently constituted.

"**COVID-19**" means the novel coronavirus.

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

"**Escrow Agent**" has the meaning ascribed to such term under "*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*".

"**Escrow Agreement**" means the escrow agreement entered into by the Principals.

"**Escrow Securities**" means the securities subject to the Escrow Agreement.

"**Executives**" means Simon Quick and Jing Peng.

"**Expiry Date**" means the date on which Options granted pursuant to the Stock Option Plan expire.

"**IFRS**" means the International Financial Reporting Standards as issued by the International Accounting Standards Board and the interpretations thereof by the International Financial Reporting Interpretations Committee and the former Standing Interpretations Committee.

"**IT**" has the meaning ascribed to such term under "*Risk Factors – Risks Related to the Company – Melius' Operations Depend on Information Technology Systems*".

"**MD&A**" means the Annual MD&A contained in this Prospectus.

"**NEO**" or "**Named Executive Officer**" has the meaning ascribed to such term under *"Director and Executive Compensation*"

"**NGOs**" has the meaning ascribed to such term under "*Risk Factors – Risks Related to the Company – Social and environmental activism can negatively impact exploration, development and mining activities*".

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

"**NI 46-201**" means National Policy 46-201 – *Escrow for Initial Public Offerings*

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

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

"**OBCA**" means the *Business Corporations Act* (Ontario).

"**Option**" means an option to purchase a Common Share issued pursuant to the Stock Option Plan.

"**Option Holder**" has the meaning ascribed to such term under "*Options to Purchase Securities – Stock Option Plan*".

"**Order**" has the meaning ascribed to such term under "*Directors and Executive Officers – Cease Trade Orders, Bankruptcies*".

"**Principals**" means Simon Quick.

"**Qualifying Jurisdictions**" means each of the provinces of Ontario, Alberta, British Columbia, and New Brunswick.

"Qualified Person" or "**QP**" means a "qualified person" as defined in NI 43-101.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Stock Option Plan**" means the amended and restated stock option plan of the Company as approved by the Company's shareholders on December 1, 2021, as amended from time to time.

"Turgeon Technical Report" means the report entitled "Technical Report for the Turgeon Property, Northeast New Brunswick, Canada" having an effective date of August 17, 2021 and prepared by Michael B. Dufresne, M.Sc., P. Geol., Geo, Stefan Kruse, Ph.D., P. Geo., and Fallon T. Clarke, B.Sc., P. Geo., qualified persons in accordance with NI 43-101.

"**United States or U.S.**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

"**Warrant**" has the meaning ascribed to such term under "*Options to Purchase Securities – Warrants"*.

"**Warrant Shares**" means the Common Shares issuable on exercise of the Warrants.

ABOUT THIS PROSPECTUS

An investor should rely only on the information contained in this Prospectus and is not entitled to rely on parts of the information contained in this Prospectus to the exclusion of others. The Company has not authorized anyone to provide investors with additional, different or inconsistent information. If anyone provides investors with additional, different or inconsistent information, including information or statements in media articles about the Company, investors should not rely on it.

The Company is not offering to sell securities under this Prospectus. Readers should rely only on the information contained in this Prospectus. The Company has not authorized any other person to provide you with additional or different information. If anyone provides you with additional or different or inconsistent information, including information or statements in media articles about the Company, you should not rely on it. You should assume that the information appearing in this Prospectus is accurate only as at its date. The Company's business, financial conditions, results of operations and prospects may have changed since that date.

The Company presents its financial statements in Canadian dollars. Amounts in this Prospectus are stated in Canadian dollars unless otherwise indicated.

Any graphs, tables or other information demonstrating the historical performance or current or historical attributes of the Company or any other entity contained in this Prospectus are intended only to illustrate historical performance or current or historical attributes of the Company or such entities and are not necessarily indicative of future performance of the Company or such entities.

This Prospectus includes summary descriptions of certain material agreements of the Company (see "*Material Contracts*"). The summary descriptions disclose provisions that the Company considers to be material, but are not complete and are qualified by reference to the terms of the material agreements, which will be filed with the Canadian securities regulatory authorities and will be available under the Company's profile on SEDAR at www.sedar.com. Investors are encouraged to read the full text of such material agreements.

MEANING OF CERTAIN REFERENCES

Unless otherwise noted or the context otherwise indicates, "Melius" or the "Company" refers to Melius Metals Corp. as constituted on the date of this Prospectus.

STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains forward-looking information and forward-looking statements, within the meaning of applicable Canadian securities legislation, (collectively, "**forward-looking statements**"), which reflect management's expectations regarding the Company's future growth, results from operations (including, without limitation, statements about the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results), performance (both operational and financial) and business prospects, future business plans and opportunities. Wherever possible, words such as "predicts", "projects", "targets", "plans", "expects", "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative or grammatical variation thereof or other variations thereof, or comparable terminology have been used to identify forward-looking statements. These forward-looking statements include, among other things, statements relating to:

- the timing and closing of the Puma Option Agreement, including the receipt for this Prospectus, in a timely manner, and receipt of regulatory and other required approvals;
- the receipt of Conditional Approval and the subsequent Listing of the Common Shares on the CSE, including the Company fulfilling all applicable listing requirements;
- the Chester Project and Turgeon Project (as such term is defined herein) and the Company's planned and future exploration on the Chester Project and Turgeon Project;
- the Company's goals regarding exploration and potential development of its projects;
- the use of available funds;
- the Company's future business plans;

- expectations regarding the ability to raise further capital;
- the market price of copper;
- expectations regarding any environmental issues that may affect planned or future exploration and development programs and the potential impact of complying with existing and proposed environmental laws and regulations;
- the ability to obtain and/or maintain any required permits, licenses or other necessary approvals for the exploration or development of its mineral properties;
- government regulation of mineral exploration and development operations in New Brunswick, Canada;
- the Company's compensation policy and practices;
- the Company's expected reliance on key management personnel, advisors and consultants;
- plans regarding future composition of the Board;
- effects of the novel coronavirus ("**COVID-19**") pandemic; and
- the Escrow Agreement, and the escrow of the Escrowed Securities (as such terms are defined herein).

Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this Prospectus including, without limitation, assumptions about:

- the ability to raise any necessary additional capital on reasonable terms to advance exploration and development of the Company's mineral properties;
- future demand and prices of copper and other metal prices;
- the timing and results of exploration and drilling programs;
- that general business and economic conditions will not change in a material adverse manner;
- the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the geology of the Chester Project as described in the Chester Technical Report (as such term is defined herein);
- the geology of the Turgeon Project as described in the Turgeon Technical Report (as such term is defined herein);
- the accuracy of budgeted exploration and development costs and expenditures;
- future currency exchange rates and interest rates;
- operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner;
- the Company's ability to attract and retain skilled personnel;
- regulatory stability;
- the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms;
- obtaining required approvals, licenses and permits on favourable terms and any required renewals of the same;
- requirements under applicable laws;
- sustained labour stability;
- stability in financial and capital goods markets;
- expectations regarding the level of disruption to exploration at both the Chester and Turgeon Properties as a result of COVID 19; and
- availability of equipment.

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Company to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking

statements. Such risks include, without limitation:

- the Company may fail to find a commercially viable deposit at any of its mineral properties;
- there are no resources or mineral reserves on any of the properties in which the Company has an interest;
- the Company's plans may be adversely affected by the Company's reliance on historical data compiled by previous parties involved with its mineral properties;
- mineral exploration and development are inherently risky;
- the mineral exploration industry is intensely competitive;
- additional financing may not be available to the Company when required or, if available, the terms of such financing may not be favourable to the Company;
- fluctuations in the demand for copper;
- the Company may not be able to identify, negotiate or finance any future acquisitions successfully, or to integrate such acquisitions with its current business;
- the Company's exploration activities are dependent upon the grant of appropriate licenses, concessions, leases, permits and regulatory consents, which may be withdrawn or not granted;
- the Company's operations could be adversely affected by possible future government legislation, policies and controls or by changes in applicable laws and regulations;
- there is no guarantee that title to the properties in which the Company has a material interest will not be challenged or impugned;
- the Company faces various risks associated with mining exploration that are not insurable or may be the subject of insurance which is not commercially feasible for the Company;
- public health crises such as the COVID-19 pandemic may adversely impact the Company's business and/or its ability to raise additional funds for its business;
- the volatility of global capital markets over the past several years has generally made the raising of capital more difficult;
- compliance with environmental regulations can be costly;
- social and environmental activism can negatively impact exploration, development and mining activities;
- risks associated with and changes to the regulations governing the Company's business operations.
- the success of the Company is largely dependent on the performance of its directors and officers;
- the Company and/or its directors and officers may be subject to a variety of legal proceedings, the results of which may have a material adverse effect on the Company's business;
- the Company may be adversely affected if potential conflicts of interests involving its directors and officers are not resolved in favour of the Company;
- the Company's future profitability may depend upon the world market prices of copper;
- if securities or industry analysts do not publish research or publish inaccurate or unfavourable research about the Company's business, the price and trading volume of the Common Shares could decline;
- there is no existing public market for the Common Shares and an active and liquid one may never develop, which could impact the liquidity of the Common Shares;
- the Common Shares may be subject to significant price volatility;
- dilution from future equity financing could negatively impact holders of Common Shares;
- the Company may not use the funds available to it in the manner described in this Prospectus;
- Internal controls cannot provide absolute assurance with respect to the reliability of financial reporting and financial statement preparation;

- on becoming a reporting issuer, the Company will be subject to costly reporting requirements;
- failure to adequately meet infrastructure requirements could have a material adverse effect on the Company's business;
- the Company's operations depend on information technology systems;
- the Company's projects now or in the future may be adversely affected by risks outside the control of the Company;
- the Company is subject to various risks associated with climate change; and
- other factors discussed under "*Risk Factors*".

Although the Company has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended. See "*Risk Factors*" for a discussion of certain factors investors should carefully consider before deciding to invest.

The Company cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements contained herein. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are made as of the date of this Prospectus and the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

SCIENTIFIC AND TECHNICAL INFORMATION

Scientific and technical information relating to the Chester Project and the Turgeon Project contained in this Prospectus are derived from, and in some instances is a direct extract from, and is based on the assumptions, qualifications and procedures set out in, the Chester Technical Report and Turgeon Technical Report respectively. Michael B. Dufresne, M.Sc., P. Geol., Geo, Stefan Kruse, Ph.D., P. Geo., and Anetta Banas, M.Sc., P. Geol., authors of the Chester Technical Report, have reviewed and approved the scientific and technical information relating to the Chester Project contained in this Prospectus and are Qualified Persons within the meanings of NI 43-101. Michael B. Dufresne, M.Sc., P. Geol., Geo, Stefan Kruse, Ph.D., P. Geo., and Fallon T. Clarke, B.Sc., P. Geo., authors of the Turgeon Technical Report, have reviewed and approved the scientific and technical information relating to the Turgeon Project contained in this Prospectus and are Qualified Persons within the meanings of NI 43-101.

Reference should be made to the full text of the Chester Technical Report and Turgeon Technical Report, which are available for review under the Company's profile on SEDAR at www.sedar.com.

THIRD PARTY INFORMATION

This Prospectus includes market, industry and economic data which was obtained from various publicly available sources and other sources believed by the Company to be true. Although the Company believes it to be reliable, the Company has not independently verified any of the data from third party sources referred to in this Prospectus, or analyzed or verified the underlying reports relied upon or referred to by such sources, or ascertained the underlying economic and other assumptions relied upon by such sources. The Company believes that its market, industry and economic data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market, industry and economic data used throughout this Prospectus are not guaranteed and the Company.

PRESENTATION OF FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES

The Company presents its financial statements in Canadian dollars. The financial statements of the Company as at October 31, 2021 for the 206-day period then ended have been prepared in accordance with IFRS. Certain financial information set out in this Prospectus is derived from such financial statements.

PROSPECTUS SUMMARY

The following is a summary only and is qualified in its entirety by, and should be read together with, the more detailed information, financial statements and MD&A contained elsewhere in this Prospectus. Please refer to the "Glossary" for a list of defined terms used herein.

The Company

Melius was incorporated under the *Business Corporations Act* (Ontario) (the "**OBCA**") on April 8, 2021, as Melius Capital 3 Corp. On July 27, 2021, Melius Capital 3 Corp. changed its name to Melius Metals Corp. The Company's head office is located at 22 Leader Lane, Suite 409, Toronto, Ontario M5E 0B2. The Company's registered office is located at 22 Leader Lane, Suite 409, Toronto, Ontario M5E 0B2.

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of resource properties with a focus on its material copper properties located in New Brunswick, Canada. The Company has entered into an Option Agreement with Puma Exploration Inc. ("**Puma**"), and its wholly-owned subsidiary Murray Brooks Minerals Inc. ("**MBM**")(the "**Puma Option Agreement**"), to acquire a 100% interest in mineral properties, including the Chester Project and Turgeon Project, in consideration for an amount payable in shares and cash of $3.5 million and an undertaking of all current rights, royalties, and encumbrances on the properties. Puma will also retain a 2% NSR royalty (the "**Puma NSR**") on certain properties in respect of which Melius may purchase back half of the Puma NSR for $1,000,000 each. See "*General Development And Business Of The Company – History – Puma Option Agreement".*

The Chester Project is located in Northumberland County in the south part of the Bathurst Mining Camp in north central New Brunswick. The Chester Property comprises 6 contiguous tenure blocks that consist of 281 mineral claims covering a total area of 6,176 ha. See "*Chester Project*".

The Turgeon Project is located between Gloucester County and Restigouche County within the Bathurst Mining Camp in the northeastern part of the Appalachian orogen in Northeast New Brunswick. The Turgeon Property covers a total area of 714.9 ha and is defined by two non-contiguous tenure blocks, with one tenure block encompassing 31 contiguous mineral claims covering a total of 671.5 ha and another tenure block encompassing 2 mineral claims covering a total of 43.4 ha. See "*Turgeon Project*"

The Company's principal objective is to explore and develop the Chester Project and Turgeon Project. For the purpose of NI 43-101, the Chester Project and the Turgeon Project are the Company's only material properties. The Chester Project and Turgeon Project are the Company's qualifying properties for the purposes of its application to list the Common Shares on the CSE.

The Company is not a reporting issuer in any jurisdiction and no securities of the Company are listed or posted for trading on any stock exchange. An application has been filed by the Company to have the Common Shares in the capital of the Company listed for trading on the Canadian Securities Exchange (the "CSE") under the symbol "[□]". Listing on the CSE (the "Listing") is subject to the Company fulfilling all of the listing requirements of the CSE and meeting all minimum requirements. The CSE has not yet issued its Conditional Approval for the Listing and there is no assurance that it will do so.

See "*Corporate Structure*" and "General Development nd Business Of The Company".

Directors & Executive Officers

Simon Quick	Director, Chief Executive Officer and Corporate Secretary
Jing Peng	Chief Financial Officer
Marcel Robillard	Director
Andrew Elinesky	Director
André Tessier	Director

See "*Directors and Executive Officers*".

Available Funds

This is a non-offering prospectus. The Company is not raising any funds in conjunction with this Prospectus and, accordingly, there are no proceeds to be raised by the Company pursuant to this Prospectus. The Company had working capital as at January 20, 2022 of $2,303,512. The Company is currently focusing on the Chester Project and does not expect to expend any significant portion of its working capital on the Turgeon Project. Upon Listing, the principal purposes for the forgoing available funds will be as follows:

Principal Purposes	**Amount ($)**
Listing on the CSE	$20,000.00
Chester Project Phase 1 Exploration Activities(1)	$500,000.00
General Corporate Purposes	$450,000.00
Audit and Legal Fees(2)	$80,000.00
Accounting Services(2)	$80,000.00
Unallocated Working Capital	$1,173,512.00
Total	$2,303,512.00

Notes:
(1) As outlined in the Chester Technical Report and "*Use of Proceeds*"
(2) Includes services rendered to advance the Listing on the CSE

The available funds will be sufficient to achieve the Company's objectives over the next 12 months. The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. Use of funds will be subject to the discretion of management. Until the Company uses the unallocated funds, it will hold them in cash and/or invest them in short-term, interest-bearing, investment-grade securities. The Company has had negative cash flow from operations since Incorporation.

See "*Use of Proceeds*" and "Risk Factors" for further detail.

Risk Factors

An investment in the Company involves a substantial degree of risk and should be regarded as highly speculative due to the nature of the business of the Company. Prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Company, including risks related to:

- the Company's current status as an exploration stage company;
- the Company's lack of mineral resources or mineral reserves;
- reliability of historical information;
- mineral exploration and development;
- competition and mineral exploration;
- additional funding;
- acquisition of additional mineral properties;
- government or regulatory approvals including permits;
- the Company's limited operating history;
- title to the Company's mineral properties;
- uninsured and underinsured risks;
- public health crises such as the COVID- 19 pandemic;
- the global economy;
- the environment including climate change;
- social and environmental activism;
- dependence on management and key personnel;
- claims and legal proceedings;
- conflicts of interest;
- copper and metal prices;
- negative cash flow from operating activities;
- going concern risk;
- uncertainty of use of available funds;

- the Company's status as a reporting issuer;
- risks associated with acquisitions;
- force majeure;
- infrastructure;
- Melius' operations depend on information technology systems;
- internal controls cannot provide absolute assurance with respect to the reliability of financial reporting and financial statement preparation;
- the possible lack of established market for the Common Shares;
- the speculative nature of an investment in the Company;
- price of the Common Shares may not represent the Company's performance or intrinsic fair value;
- securities or industry analysts;
- price volatility of publicly traded securities;
- dilution;
- dividends;
- and the expected listing of the Common Shares on the CSE.

See "*Risk Factors*".

Selected Financial Information

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

	For the initial 206-day period ended October 31, 2021 (audited)
Exploration and Evaluation Assets	$300,000
Total Assets	$1,757,708
Total Revenues	-
Long-Term Debt	-
Exploration and evaluation expenditure	$134,567
Consulting Fees and Loss on settlement of account payables to directors, President and consultant	$506,000
Net Loss	(698,887)
Basic and diluted loss per share[(1)]	$(0.03)

Note:
(1) Based on weighted average number of common shares issued and outstanding for the period. See "Schedule A and Schedule B"

Financial Statements and Management's Discussion and Analysis

The following financial statements and MD&A are included as schedules to this Prospectus:

Schedule "A": Audited consolidated financial statements for the initial 206-Day period ended October 31 ,2021 of the Company

Schedule "B": Management's discussion and analysis for the initial 206-Day period ended October 31, 2021 of the Company

The financial statements listed above have been prepared in accordance with IFRS. Certain information included in the MD&A 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 "*Statement Regarding Forward-Looking Information*".

CORPORATE STRUCTURE

Melius was incorporated under the OBCA on April 8, 2021, under the name Melius Capital 3 Corp. On July 27, 2021, Melius Capital 3 Corp. changed its name through articles of amendment to Melius Metals Corp. The Company's head office is located at 22 Leader Lane, Suite 409, Toronto, Ontario M5E 0B2. The Company's registered office is located at 22 Leader Lane, Suite 409, Toronto, Ontario M5E 0B2.

GENERAL DEVELOPMENT AND BUSINESS OF THE COMPANY

Overview of the Company

General

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of resource properties with a focus on its Chester and Turgeon properties located in New Brunswick, Canada. The primary focus and capital investments in 2022 will be the Chester property; however, certain work commitments may be undertaken at the Turgeon property pending sufficient funding, early-stage prospecting results, and other exploration items.

On June 20, 2021, the Company entered into an Option Agreement with Puma, and its wholly-owned subsidiary MBM, to acquire a 100% interest in five mineral projects consisting of 13 tenure blocks, which include the Chester Project and Turgeon Project. The Company's principal objective is to explore and develop the Chester Project and Turgeon Project, and to identify other properties worthy of investment and exploration. For the purpose of NI 43-101, the Chester Project and Turgeon Project are the Company's only material properties. The Chester Project and Turgeon Project are the Company's qualifying Projects for the purposes of its application to list the Common Shares on the CSE. Since incorporation, the Company has taken the following steps in developing its business: See "*General Development and Business of the Company – History of the Company – Puma Option Agreement*" and "*Chester Project*" and "*Turgeon Project*"

On August 17, 2021, the Company completed the Turgeon Technical Report. See "*Turgeon Project"*.

On August 20, 2021, the Company completed the Chester Technical Report. See "*Chester Project"*.

On November 1st, 2021, the Company initiated an approximate 2,000 meter, 40-hole drill program on the Chester Project. The objective of this program was to: 1) validate the historic resource and geologic model at Chester, 2) test resource gaps between the Central and East Zone, and 3) test for presence of gold and silver mineralization given the historic resource did not assay for these metals. The drill program completed on December 10th, 2021 and assay results are pending.

On November 11, 2021 the Company hired Simon Quick as CEO and Corporate Secretary.

On November 23, 2021, Melius and Puma completed the final $100,000 cash payment and necessary $500,000 work commitment for the Chester Option Agreement between Explor Resources Inc. and Puma dated January 17, 2019. As a result, Puma retains 100% ownership of the Chester Project which will be transferred to Melius after satisfying all terms stipulated in the Puma Option Agreement.

During November and December 2021, the Company continued to develop draft work programs and budget forecasts for the 2022 field season. The primary focus in 2022 will be the Chester Project with two main objectives. First, continue to test ore body exploration potential both laterally and at depth. And second, develop near-term production scenarios that leverage the significant historical work already completed on the project. As a result, the Chester work activities may include, but not be limited to, prospecting, trenching, geochemistry, exploration and in-fill drilling, resource modeling, mine planning, trade-off studies, and further metallurgical testing programs. All work programs and budgets will be reviewed and approved by the Company Technical Committee which will be comprised of two Puma members, and two Melius Operator members. The Melius members represent the casting vote.

The Company is not a reporting issuer in any jurisdiction and no securities of the Company are listed or posted for

trading on any stock exchange. The Company has applied to list its Common Shares on the CSE. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE.

Business of the Company

Principal Operations

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of resource properties with a focus on their Chester Project as-well as Turgeon Project including their surrounding prospective properties located in New Brunswick, Canada.

Competitive Conditions

The mineral exploration and mining industry is competitive in all phases of exploration, development and production. The Company competes with a number of other entities and individuals in the search for and the acquisition of attractive mineral properties. As a result of this competition, the Company may not be able to acquire attractive properties in the future on terms it considers acceptable. The Company may also encounter competition from other mining companies in efforts to hire experienced mining professionals. Increased competition could adversely affect the Company's ability to attract necessary funding or acquire suitable properties or prospects for mineral exploration in the future. See "*Risk Factors – Competition and Mineral Exploration*".

Specialized Skills and Knowledge

Various aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include, but are not limited to, expertise related to mineral exploration, geology, drilling, permitting, metallurgy, logistical planning, and implementation of exploration programs, as well as legal compliance, finance and accounting. The Company expects to rely upon various legal and financial advisors, consultants and others in the operation and management of its business. See "*Risk Factors – Dependence on Management and Key Personnel*".

Cycles

The Company's mineral exploration activities may be subject to seasonality due to adverse weather conditions including, without limitation, inclement weather, heavy downpours, flash flooding, landslides, lightning activity or other weather-related factors. In addition, the mining and mineral exploration business is subject to global economic cycles effecting, among other things, the marketability and price of copper products in the global marketplace.

Employees

As at the date of this Prospectus, the Company has a full-time Chief Executive Officer. The Company has engaged Marrelli Support Services to provide the services of a Chief Financial Officer. The Company has engaged Partum Advisory Services to provide bookkeeping and corporate support services to the Company on a part-time basis. The Company has engaged Geominex Inc. to provide exploration management, drilling logistics and supervisory, geologic modeling, and other consultant services in support of all Company drilling and exploration programs. The Chief Executive Officer will be devoting 100% of his time to the affairs of the Company. The other individuals employed are expected to devote approximately 20%-50% of their time to the affairs of the Company depending on Company activities moving forward. See "*Directors and Executive Officers*".

Environmental Protection

The Company is currently engaged in exploration activities on its Chester and Turgeon Projects and such activities are subject to various laws, rules and regulations governing the protection of the environment. Corporate obligations to protect the environment under the various regulatory regimes in which the Company operates may affect the financial position, operational performance and earnings of the Company. A breach of such legislation may result in imposition of fines and penalties. Management believes all of the Company's activities are in material compliance with all applicable environmental legislation. See "*Risk Factors – Environmental Risks*".

Social or Environmental Policies

The Company is committed to conducting its operations in accordance with sound social and environmental practices. The Company has adopted environmental and social responsibility policies.

Environmental management is and will remain a corporate priority. Specifically, the Company will seek to design and operate facilities and use resources efficiently and to ensure compliance with sustainable development, all to minimize environmental risks. On working sites, the Company will maintain emergency preparedness plans to ensure protection of the environment, workers and the public. The Company will work with suppliers and contractors to comply with environmental requirements and work cooperatively to identify opportunities to improve environmental quality and performance. The Company is prepared to openly discuss environmental issues with employees and the public, and to be responsive to concerns and that all employees are fully instructed and are able to and empowered to fulfill their environmental responsibilities. The Company commits to continual improvement through regular reviews of its environmental performance.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation.

The success of the Company and its objective to sustainable exploration and development will require building and maintaining trust and two-way positive relationships with all of our stakeholders: our employees, local residents and their communities, and our shareholders. We believe that these relationships are dependent upon regular communication and by working cooperatively to understand respective interests and concerns as it pertains to mineral resource exploration and development. Social responsibility will be integrated into all of our plans and activities.

As of December 2021, the Company had communicated and consulted with certain First Nation's groups within the general project and community area in New Brunswick. Memorandum of Understanding agreement discussions are underway with planned execution in 2022. The Company is committed to developing a collaborative, transparent, and mutually beneficial relationship with all stakeholders associated with our Projects as it is core to the Company exploration and development strategy.

History of the Company

Acquisitions, Financings and Issuances of the Company's Securities

Puma Option Agreement

On June 20, 2021, the Company entered into the Puma Option Agreement with Puma and its wholly-owned subsidiary MBM, to acquire a 100% interest in five mineral projects consisting of 13 tenure blocks, which include the Chester Project and Turgeon Project, in consideration for an amount of $3.5 million consisting of 12,000,000 Melius Shares at a deemed price of $0.05 per share, and $2.3 million payable at Melius' option in cash or Melius Shares over the course of three anniversaries from the closing of the Puma Option Agreement. The closing of the Puma Option Agreement is conditional upon Melius successfully listing on the CSE. Upon closing the Puma Option Agreement, Puma will have the right to nominate one individual to the board of directors of Melius and have two of four representatives on the Melius technical committee.

Upon fulfillment of the conditions of the Puma Option Agreement, Melius will acquire and assume 100% interest in the 13 tenure blocks contained in the Puma Option Agreement subject to the following agreements, rights, and encumbrances:

The Chester Project consists of 6 tenure blocks. See "*Chester Project*".

	Description	Current Ownership	Encumbrances
Chester Property (1571)	19 mineral claims	MBM – wholly-owned subsidiary of Puma	Chester Option Agreement; Brooks Agreement; Northeast Agreement; Granges Agreement
Chester EAB Property (6003)	95 mineral claims	MBM – wholly-owned subsidiary of Puma	Chester Option Agreement; Brooks Agreement; Ross Agreement
Big Sevogle River Property (9026)	3 mineral claims	MBM – wholly-owned subsidiary of Puma	Chester Option Agreement
Big Sevogle River Property (7045)	19 mineral claims	MBM – wholly-owned subsidiary of Puma	Chester Option Agreement
Chester West Property (9036)	139 mineral claims	MBM – wholly-owned subsidiary of Puma	Puma Royalty Agreement
South Big Sevogle River Property (9886)	6 mineral claims	MBM – wholly-owned subsidiary of Puma	Puma Royalty Agreement

The Chester Option Agreement is between Explor Resources Inc. ("**Explor**") and Puma dated January 17, 2019, as amended on December 9, 2020. Puma with the completion of the Puma Option Agreement and with the consent of Explor, Puma will assign its option to Melius to acquire 100% interest in the properties contained in the Chester Option Agreement subject to a 2% NSR royalty payable to Explor, half of which (1% NSR) may be bought back for $1,000,000. Puma completed the final $100,000 cash payment and necessary $500,000 work commitment for the Chester Option Agreement. As a result, Puma retains 100% ownership of the properties contained in the Chester Option Agreement which will be transferred to Melius after satisfying all terms stipulated in the Puma Option Agreement. The Chester Option Agreement contains the Brooks Agreement, Northeast Agreement, Granges Agreement, and Ross Agreement.

The Brooks Agreement dated February 26, 2013 between Earnest Brooks and Explor provides a 1% NSR royalty payable to Earnest Brooks, which can be bought back for $1,000,000.

The Northeast Agreement dated May 4, 2002 between Northeast Exploration Inc., Bathurst Silver Mining Ltd. and Earnest Brooks consists of a 1% NSR royalty payable to Northeast Exploration Services Inc., half of which (0.5% NSR) can be bought back for $500,000.

Granges Agreement dated November 6, 1995 between Granges Inc., Outokumpu Mines Ltd. and Northeast Exploration Inc., consists of a 1% NSR royalty payable to Granges Inc. (0.057% NSR) and Outokumpu Mines Ltd. (0.443%), half of which (0.5% NSR) can be bought back for $500,000.

The Ross Agreement dated April 9, 2013 between Frank Ross, Delbert Johnson and Anthony Johnston and Explor Resources Inc. (now Galleon Gold Corp.) consists of a 2% NSR royalty payable to Frank Ross, Delbert Johnson and Anthony Johnston, on 39 of the mineral claims contained in the Chester EAB Property (9026), half of which (1% NSR) can be bought back for $900,000, with a right of first refusal on the remaining royalty (1% NSR).

The Puma Royalty Agreement consists of a 2% NSR royalty to be granted by Melius to Puma upon exercise of the Puma Option Agreement by Melius on all saleable production.

The Turgeon Project consists of 2 tenure blocks. See "*Turgeon Project*".

	Description	Current Ownership	Encumbrances
Turgeon Property (1813)	31 mineral claims	Puma	Baldwin Agreement
Turgeon Sud Property (5594)	2 mineral claims	Puma	

The Baldwin Agreement dated October 22, 2007 between Puma and Andrew Baldwyn providing for a 2% NSR royalty payable to Andrew Baldwin on gold and silver and 1% NSR on any other saleable production, half of which (1% NSR) may be bought back by Puma for $500,000.

The Legacy Project consists of 2 tenure blocks.

	Description	Current Ownership	Encumbrances
Legacy Group Property (5443)	8 mineral claims	Puma	Mann Agreement
McKenzie Gulch Property (6202)	21 mineral claims	Puma	Mann Agreement

The Mann Agreement dated December 5, 2011 between Richard Mann, Roland Lovesey, Norman Pitre and MBM whereby a 2% NSR royalty is payable to Richard Mann (0.66% NSR), Roland Lovesey (0.66%) and Norman Pitre (0.66% NSR), half of which (1% NSR) may be bought back by Puma for $500,000.

The Brunswick Cards Project consists of 2 tenure blocks.

	Description	Current Ownership	Encumbrances
Little North Sevogle Property (9300)	91 mineral claims	Puma	Geominex Agreement, Arness Agreement
North Sevogle Property (9302)	73 mineral claims	Puma	Geominex Agreement

The Geominex Agreement dated August 14, 2020 between Geominex Inc. and Puma whereby a 2% NSR royalty payable to Geominex Inc., half of which (1% NSR) may be bought back by Puma for $1,000,000, with Puma retaining a right of first refusal on the remaining royalty (1% NSR).

The Arness Agreement dated August 14, 2020 between Arness Cordick and Puma providing for a 2% NSR royalty on 49 of the mineral claims contained on the Little North Sevogle Property (9300), payable to Arness Cordick, half of which (1% NSR) may be bought back by Puma for $1,000,000, with Puma retaining a right of first refusal on the remaining royalty (1% NSR).

Finally, the Murray Brook West Project (7846) tenure block consists of 128 mineral claims currently owned by Puma and is subject to the Puma Royalty Agreement of a 2% NSR royalty to be granted by Melius to Puma upon exercise of the Puma Option Agreement by Melius on all saleable production.

Financings

Private Placement closed on September 8, 2021 for 15,000,000 Common Shares of Melius at an issue price of $0.05 for aggregate gross proceeds of $750,000.

Private Placement closed on October 27, 2021 for 7,500,000 Common Shares of Melius at an issue price of $0.10 for aggregate gross proceeds of $750,000.

Private Placement closed on January 20, 2022 for 5,475,000 Units of Melius at an issue price of $0.25 for aggregate gross proceeds of $1,368,750 with each Unit consisting of 1 Common Share and ½ Warrant Share of which 1 full Warrant Share is exercisable at a price of $0.40 until the date that is the earlier of: (a) 36 months from the date of the closing of the financing, or (b) under the acceleration clause, 30 days after the Corporation is valued at $0.80 per share using a 10-day VWAP.

THE CHESTER PROJECT

The scientific and technical information in this section relating to the Chester Project is derived from, and in some instances is a direct extract from, and is based on the assumptions, qualifications and procedures set out in, the Technical Report for the Chester Property, Northeast New Brunswick, Canada (the "**Chester Technical Report**"). The Qualified Persons, as defined in NI 43-101, who were responsible for the preparation of the Chester Technical

Report and who reviewed and approved the scientific and technical information derived from the Chester Technical Report in this prospectus are Michael B. Dufresne, M.Sc., P. Geol., Geo., Stefan Kruse, Ph.D., P. Geo., and Anetta Banas, M.Sc., P. Geol. having an effective date of August 20, 2021. The Authors are "independent" and "Qualified Persons" for the purposes of NI 43-101.

Such assumptions, qualifications and procedures are not fully described in this Prospectus and the following summary does not purport to be a complete summary of the Chester Technical Report. Reference should be made to the full text of the Chester Technical Report, which is available for review under the Company's profile on SEDAR at www.sedar.com.

Property Description and Location

The Chester Project is located in north-central NB, 70 km southwest of the city of Bathurst, NB and 50 km west-northwest of the city of Miramichi, NB. The Chester Project lies in National Topographic System Map Sheet 21 O/01 within North American Datum 83, UTM Zone 19. The approximate centre of the property is located at 708861m E 5221606m N. The Chester Project comprises 6 tenure blocks: Chester Property (1571), Chester EAB Property (6003), Big Sevogle River Property (7045), Big Sevogle River Property (9026), Chester West Property (9036) and South Big Sevogle River Property (9886) covering a total area of 6,176 ha.

The Chester Project lies in a favorable geological setting within the Bathurst Mining Camp (BMC) in the northeastern part of the Appalachian Orogen. The Bathurst Mining Camp is host to over 45 volcanogenic massive sulphide (VMS) base metal deposits including the world-class Brunswick No. 12 (Difrancesco, 1996). The area is underlain by rocks of the Bathurst Super Group: a Middle Ordovician – Lower Silurian sequence of felsic volcanic, mafic volcanic and sedimentary rocks, which overlie the Miramichi Group: a Cambrian to Lower Ordovician sequence of sedimentary rocks. The east-west trending Moose Lake-Tomogonops fault system divides the BMC into northern and southern structural and stratigraphic domains. The Chester Deposit is located in the southern domain. The southern part of the Chester Project is underlain by the Miramichi Group while the northern and central part of the property is underlain by the Sheephouse Brook Group of the Bathurst Super Group.

VMS deposits in the BMC occur at various stratigraphic positions and deposits are known to occur in the Tetagouche Group, California Lake Group and the Sheephouse Brook Group. The Chester Deposit, which is located on the property, consists of massive, disseminated and stringer sulphide mineralization that lies within dacitic volcanic rocks of the Clearwater Stream Formation (Sheephouse Brook Group). Three mineralized zones have been delineated at the Chester Deposit: the Stringer Zone (West Zone), Central Zone and East Zone.

Location and Access

The property is readily accessible by car or truck in the summer months by road from Miramichi. Access to the western portion of the property is gained by travelling west from Miramichi, along highway 425 to Sunny Corner, then north along the northwest road to the New Mullin Stream gravel road. The New Mullin Stream road provides access to the south central and south west corner of the property. The eastern part of the property is accessible by travelling north from Miramichi along highway 430 to Fraser Burchill gravel road. Driving west along Fraser Burchill gravel road for ~20 km leads to a logging road that provides access to the northeast part of the property. Additional logging roads provide access throughout the property. The main CN railroad line from Moncton to Quebec and Western Canada passes through Miramichi and Bathurst.

Title, Royalties and Encumbrances

Title

The registered owners of the mineral claims comprising the Chester Project are MBM and Explor Resources Inc. MBM is the 100% owner of 145 mineral claims comprising 2 claim blocks (Chester West Property (9036) and South Big Sevogle River Property (9886)). Explor Resources Inc. is the 100% owner of 136 mineral claims comprising 4 claim blocks (Chester Property (1571), Chester EAB Property (6003), Big Sevogle River Property (7045), and Big Sevogle River Property (9026)). MBM is a wholly owned subsidiary of Puma. Puma and Explor Resources Inc. have an option agreement (the "**Chester Option Agreement**") regarding the 136 mineral claims that are 100% owned by

Explor Resources Inc. Under the Chester Option Agreement, Puma can acquire 100% interest in the Chester Optioned Claims for $100,000 in cash and incurring $500,000 in exploration work by January 17, 2022. As stated in the Chester Option Agreement, Puma has to obtain the consent of Explor Resources Inc. to assign the Chester optioned claims, therefore, the inclusion of the claims in the Puma Option Agreement with Melius are subject to the approval of Explor Resources Inc. Puma has granted Melius the sole and exclusive right and option to acquire 100% of Puma's respective rights and interest in the Chester Project subject to the Puma Option Agreement.

Block Claim	Owner	Issue Date	Exp. Date	# Units	Area (Ha)
1571	Explor Resources Inc. 100%	1987-03-23	2022-03-23	19	418
6003	Explor Resources Inc. 100%	2011-04-14	2022-04-14	95	2,088
7045	Explor Resources Inc. 100%	2014-02-04	2022-02-04	19	418
9026	Explor Resources Inc. 100%	2014-02-04	2022-02-04	3	66
9036	Murray Brooks Minerals Inc. 100%	2019-02-12	2022-02-12	139	3054
9886	Murray Brooks Minerals Inc. 100%	2021-02-22	2022-02-22	6	132
Total				**281**	**6,176**

See "*Chester Technical Report - Table 4.1. Mineral block tenures for Melius's Chester Property*."

Royalties and Encumbrances

The Chester Property (1571), Chester EAB Property (6003), Big Sevogle River Property (7045), and Big Sevogle River Property (9026) tenure blocks are subject to the Chester Option Agreement whereby Explor retains a 2% NSR royalty on any saleable production from the properties. Of the NSR royalty, the Company may purchase 50% or 1% NSR royalty back from Explor for $1,000,000. Puma completed its payment of $100,000 in cash and incurred an amount of $500,000 in work commitment on the properties contained in the Chester Option Agreement at the latest on January 17, 2022. All Chester Option Agreement terms between Puma and Explor are satisfied as of the date of this prospectus. The following historical royalties remain on portions of the property:

- 39 of the mineral claims contained in the Chester EAB Property (6003) are subject to the Ross Agreement dated April 9, 2013 between Frank Ross, Delbert Johnson and Anthony Johnston and Explor Resources Inc. (now Galleon Gold Corp.) consisting of a 2% NSR royalty payable to Frank Ross, Delbert Johnson and Anthony Johnston, half of which (1% NSR) can be bought back for $900,000, with a right of first refusal on the remaining royalty (1% NSR).

- 75 mineral claims contained in the Chester Property (1571) and Chester EAB Property (6003) are subject to the Brooks Agreement dated February 26, 2013 between Earnest Brooks and Explor Resources Inc. (now Galleon Gold Corp.) providing a 1% NSR royalty payable to Earnest Brooks, which can be bought back for $1,000,000.

- 4 mineral claims contained in the Chester Property (1571) are subject to the Northeast Agreement dated May 4, 2002 between Northeast Exploration Inc., Bathurst Silver Mining Ltd. and Earnest Brooks consisting of a 1% NSR royalty payable to Northeast Exploration Services Inc., half of which (0.5% NSR) can be bought back for $500,000.

- 2 mineral claims contained in the Chester Property (1571) are subject to the Granges Agreement dated November 6, 1995 between Granges Inc., Outokumpu Mines Ltd. and Northeast Exploration Inc., consisting of a 1% NSR royalty payable to Granges Inc. (0.057% NSR) and Outokumpu Mines Ltd. (0.443%), half of which (0.5% NSR) can be bought back for $500,000.

The Chester West Property (9036) and South Big Sevogle River Property (9886) are subject to Puma Royalty Agreement consisting of a 2% NSR royalty to be granted by Melius to Puma upon exercise of the Puma Option Agreement by Melius on all saleable production.

Environmental and Permitting Liabilities

At the completion of the Puma Option Agreement and acquisition of the Chester Project, the Company will be required to obtain the following permits and licenses to conduct mineral exploration in New Brunswick. Until the Puma Option Agreement is satisfied, all permits and licenses will be obtained under Puma that include, but are not limited to:

- A prospecting license is required to prospect or register mineral claims.

- Prior to commencing work that would cause actual damage to or interference with the use and enjoyment of Crown lands; the following procedures must be followed:

    - Submit to the Recorder the completed Notice of Planned Work on Crown Land-Form 18.1, listing the proposed work and enclosing a map showing the area of work and the claims.
    - The Recorder will review the submitted form and give permission on behalf of the Department of Natural Resources for the work to proceed.
    - In some cases, the Recorder will advise the person planning the work that a reclamation plan and security are required before the work commences.
    - Obtain the consent of the lessee if work is done on a Crown land lease.

Notification requirements prior to performing exploration work and general prospecting are that Company must notify private landowners; Department of Natural Resources; District Forest Ranger; Work Safe NB; and Offices of the Recorder (Bathurst in this case).

In 1993 the New Brunswick Department of Environment ("**NBDE**") completed an inspection of the Chester Mine site to assess environmental liabilities. Their assessment reported that the site was reclaimed upon cessation of exploration activities and re-sloped such that erosion and safety were not a major concern. Two ponds that were part of the treatment plant were allowed to remain as well as a diversion ditch and a culvert. Signs of acid drainage (springs) were evident, however the clearwater creek was tested and was not affected. The audit concluded that there were no outstanding liabilities associated with the site at that time.

During the site visit conducted by Dr. Kruse, co-author of the Chester Technical Report, observed the presence of un-remediated historical workings on the property including historical drill holes leaking water, man-made settling ponds, unsecured historical infrastructure, an open unsecured portal, along with roadways and disturbed areas covered with sulphide-bearing rock. It is not clear if there are any potential liabilities that could be associated with the exploration completed before 1993 based upon the inspection by NBDE, or if there are any liabilities for work conducted after 1993 including drilling and trenching.

No other known significant factors or risks related to the Chester Project that may affect access, title or the right or ability to perform work on the Chester Project are known.

History

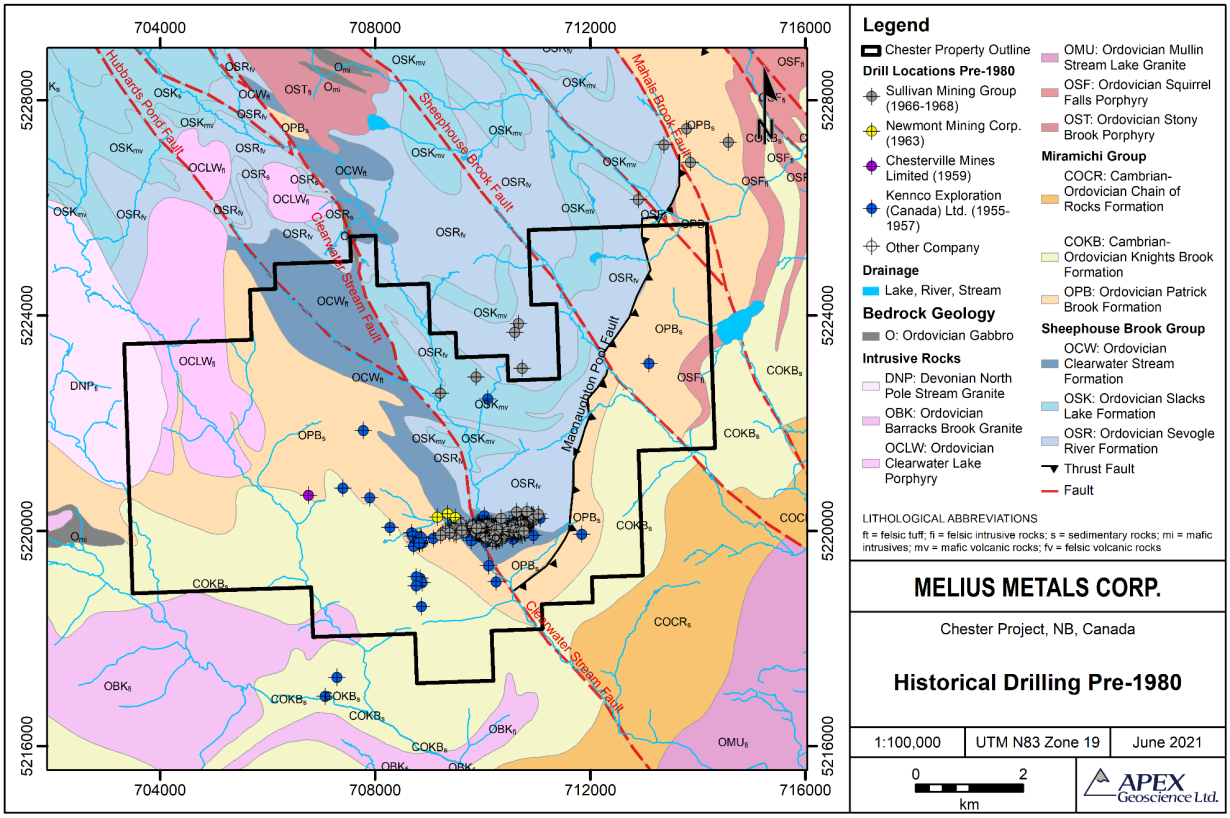
Extensive exploration has been completed in and around the Chester Deposit since the mid-1950's.

Kennco Exploration Ltd. ("Kennco") discovered the Chester Deposit, also known as the Clearwater Copper occurrence, in 1955. Ground follow-up of an airborne electromagnetic survey anomaly resulted in the discovery of disseminated copper and related massive pyrite with zinc-lead-copper east of the Clearwater stream (von der Poll, 1963). Between 1956 and 1957 over 10,000 m (30,000 feet) of diamond drilling was completed in over 100 holes (Figures 6.1 and 6.2). Drilling defined a massive lens of pyrite containing lesser amounts of sphalerite and chalcolpyrite, which returned average grades of 3.4% zinc (Zn), 1.62% lead (Pb), 0.92% copper (Cu) and 0.308 troy ounce per ton (oz/t) silver (Ag). The lens was approximately 650 feet in diameter, averaging 35 feet thick. A zone of disseminated chalcopyrite and pyrrhotite extended east and west from the lens (Black, 1956 AR 470716 interim; von der Poll, 1963).

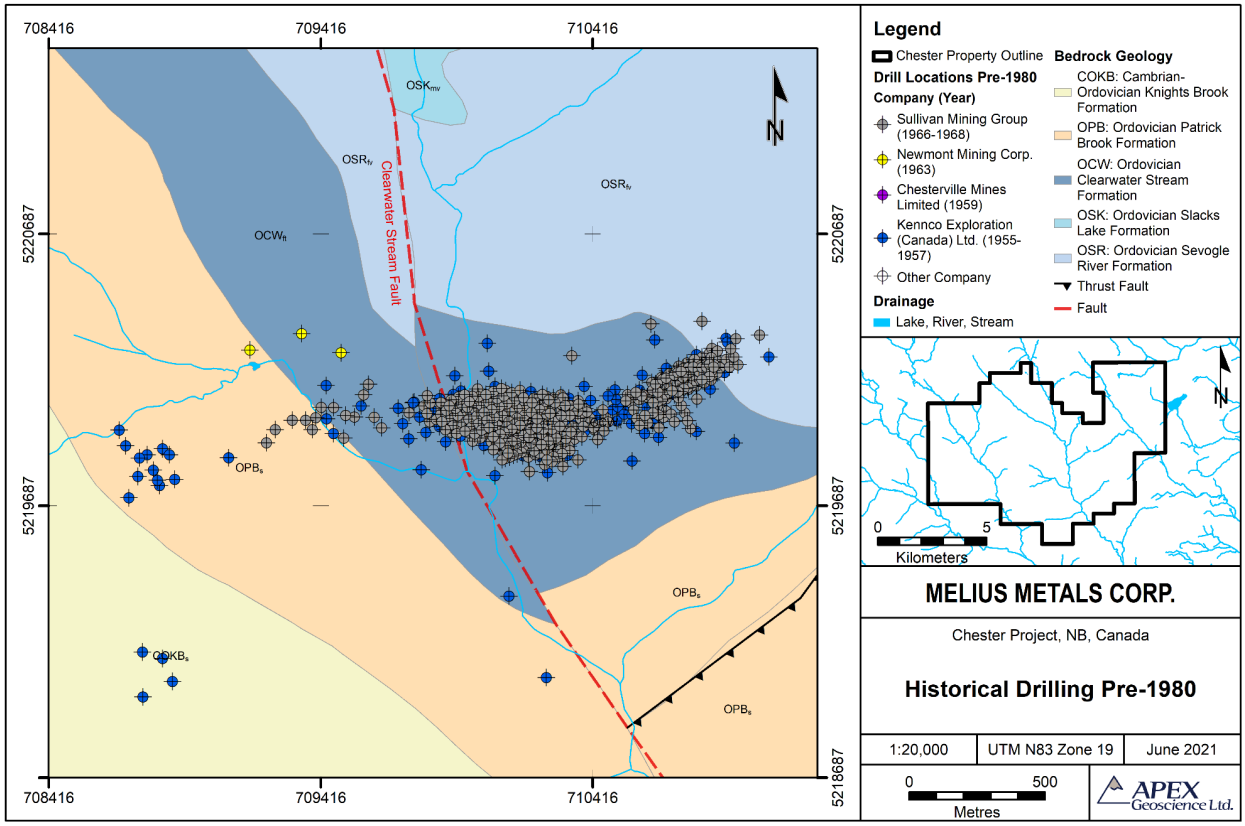
Kennco sold the Property to Chesterville Mines Limited ("Chesterville Mines") in 1959. Chesterville Mines completed 29 drill holes on the Chester Deposit, prior to optioning the Property to Newmont Mining Corporation ("Newmont")

in 1963 (Figure 6.1). Newmont drilled three holes on the Property (Figure 6.2). Subsequently in 1966, the Property was optioned to the Sullivan Mining Group, who formed a new company Sullico Mines Ltd. ("Sullico") to develop the Chester Deposit.

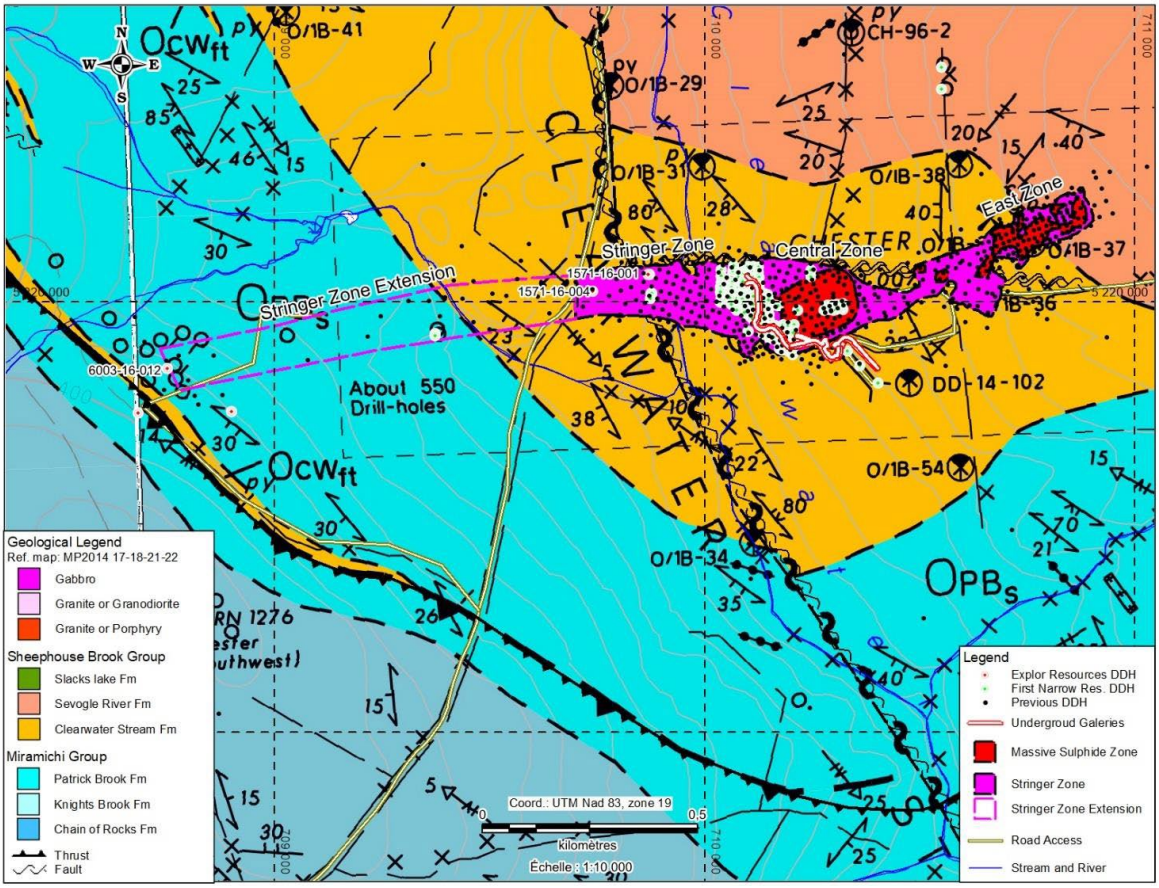
Sullico conducted the majority of the drilling on the deposit between 1966 and 1972. Over 400 diamond drill holes (S-series) exceeding 110,000 feet in total length, were completed to delineate the deposit and further explore the Property (Figures 6.1 and 6.2; Sullico, 1968, Sullico 1969). Sullico additionally completed geochemical sampling and ground electromagnetic (EM) geophysical surveying on the Property (Sullico, 1968). The Sullivan Mining Group acquired 100% interest in the Chester Property in 1970. In the early 1970's, Sullico proceeded with plans to develop the Copper Feeder Zone (Stringer [West] Zone; Figure 6.3) and drove a 470-metre decline into the deposit in 1974-75 (Hamilton, 2003; Hamilton and Brooks, 2004). The decline was intended to test the disseminated and Stringer Zone, confirm diamond drill indicated grade and tonnage and check water flows for a potential underground mining operation. The grade of the underground material was reported as 2.05% Cu versus the grade of 1.58% Cu estimated by the historical resource estimate (Hamilton, 2003; Hamilton and Brooks, 2004 and references therein). Despite these encouraging results, the falling copper prices halted further development and the project was abandoned. Drill core from the pre-1980's was analysed almost exclusively for copper, with the exception of 2 holes (S-138 and S-436).



See "*Chester Technical Report - Figure 6.1 Historical drilling Chester Property pre-1980*"



See "*Chester Technical Report - Figure 6.2 Historical drilling pre-1980 – Chester Deposit*"



See "*Chester Technical Report - Figure 6.3 Mineralized zones of the Chester Deposit*"

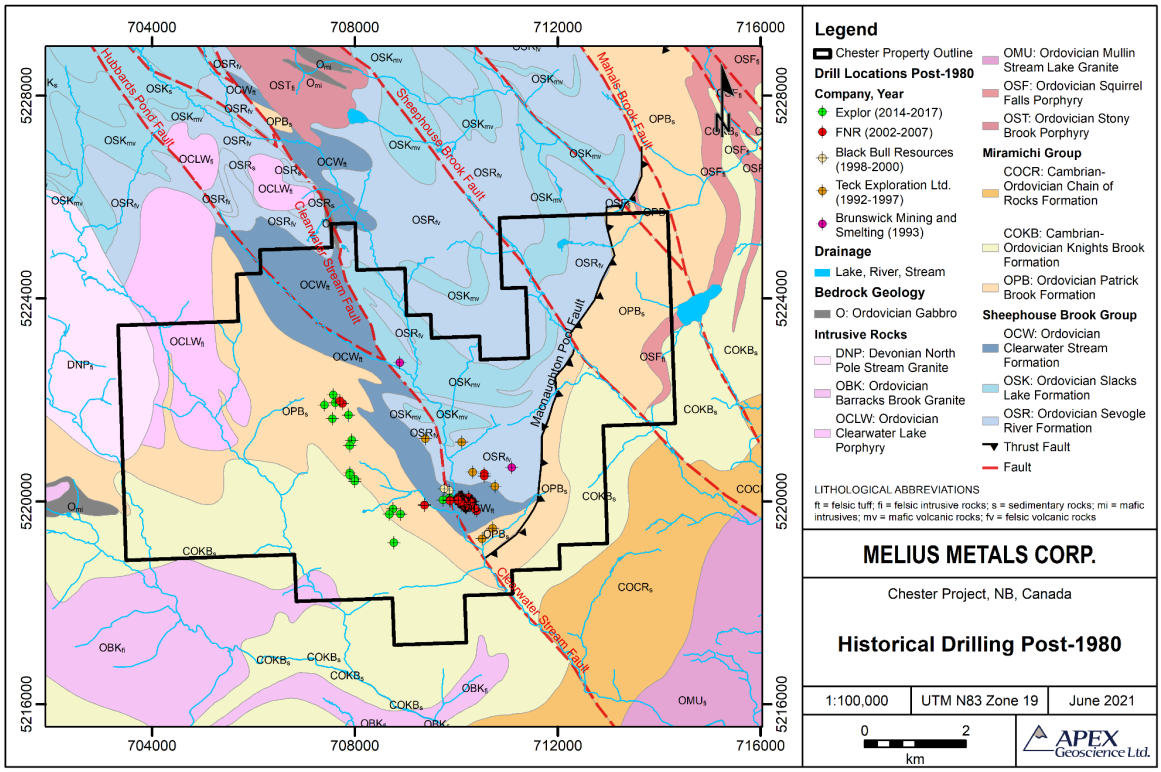
Brunswick Mining and Smelting ("BMS") conducted exploration on claims partially overlapping and surrounding the current Property since 1981 and acquired the majority of the Chester Deposit (on the current Property) by staking in 1987. BMS exploration work consisted of stream sediment geochemical surveys and drilling. A total of 11 drill holes (CN-Series) totalling 1,485 feet were completed to test the precious and base metals content of the gossan cap between 1987-1994 (Figure 6.4). Results from the drilling campaign were considered disappointing (Frankland, 1987).

From 1988-1995 Granges Exploration Limited ("Granges") also conducted exploration in the area of the Chester Deposit. Granges completed several soil sampling programs which identified mildly anomalous areas down slope from the Central Zone (Figure 6.3; O'Donnell, 1988).

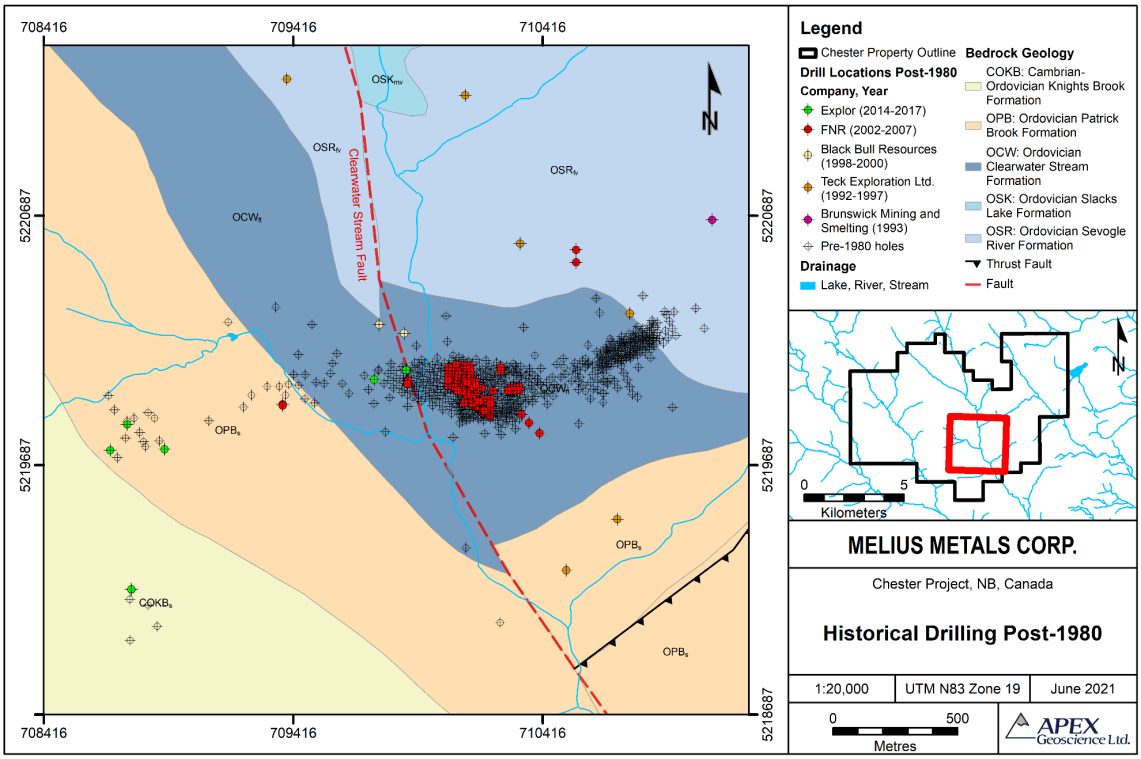
In 1992, Teck Exploration Ltd. ("Teck") optioned the Chester Property from BMS. Between 1992 and 1997 Teck conducted stream and lithogeochemical sampling programs, Very Low Frequency Electromagnetic (VLF-EM), magnetometer, Time Domain Electromagnetic (TDEM) surveying, geological mapping and drilling. Magnetic anomalies were interpreted to be associated with mafic volcanic rocks or magnetite-bearing sedimentary rocks of the Miramichi Group and a magnetic anomaly was associated with the Chester Deposit. Conductive zones identified by the VLF-EM surveys were common in the Miramichi Group sedimentary rocks, but the mafic and felsic rocks were found to be poorly conductive. The Chester Deposit was associated with a conductive anomaly; weakly conductive zones which were detected in the vicinity, and along strike, of the deposit were interpreted to represent weak mineralization along the Chester horizon (Moore, 1995).

Teck drilled 7 holes during their exploration programs (Figures 6.4 and 6.5). In 1995, drill hole CN-12, collared by BMS, was extended from 167 to 346.6 metres and intersected felsic volcanic rocks and magnetic gabbro. Two holes, CH-94-01 and CH-94-02, were drilled to test a possible dip or plunge of the Chester Deposit to the south and both holes intersected only Miramichi Group sedimentary rocks. Two drill holes targeted geophysical anomalies outside of the area of VMS and Copper zones. The holes intersected thin zones of massive sulphides. Follow-up drilling and

IP surveys returned no significant results (Moore, 1995). Two diamond drill holes completed in 1996, CH-96-01 and CH-96-02, were drilled 1,200 and 500 metres respectively, north of the Central Zone. Disseminated sulphides with anomalous base metal values were intersected. An intersection, interpreted to be Miramichi Group sedimentary rocks, near the bottom of CH-96-02 confirmed the north dip or plunge of the stratigraphy (Clark, 1996). In 1997 diamond drill hole CH-97-01 and trench TR-97-01A targeted a moderately strong chargeability and coincident apparent resistivity anomaly, located to the northwest of the Chester Deposit. No significant mineralization was found in the drill hole but a 15-metre-wide zone of 5% disseminated pyrite/pyrrhotite with grab samples assaying up to 958 ppb Pb and 1,014 ppb Zn was found in the trench. A second hole (CH-97-02) was drilled to test for a possible repetition of the Chester Deposit beneath the East Zone of the deposit and had negative results (Figures 6.3 and 6.5; Clarke, 1997).



See "*Chester Technical Report - Figure 6.4 Historical drilling Chester Property post-1980*"



See "*Chester Technical Report - Figure 6.5 Historical drilling post-1980 – Chester Deposit*"

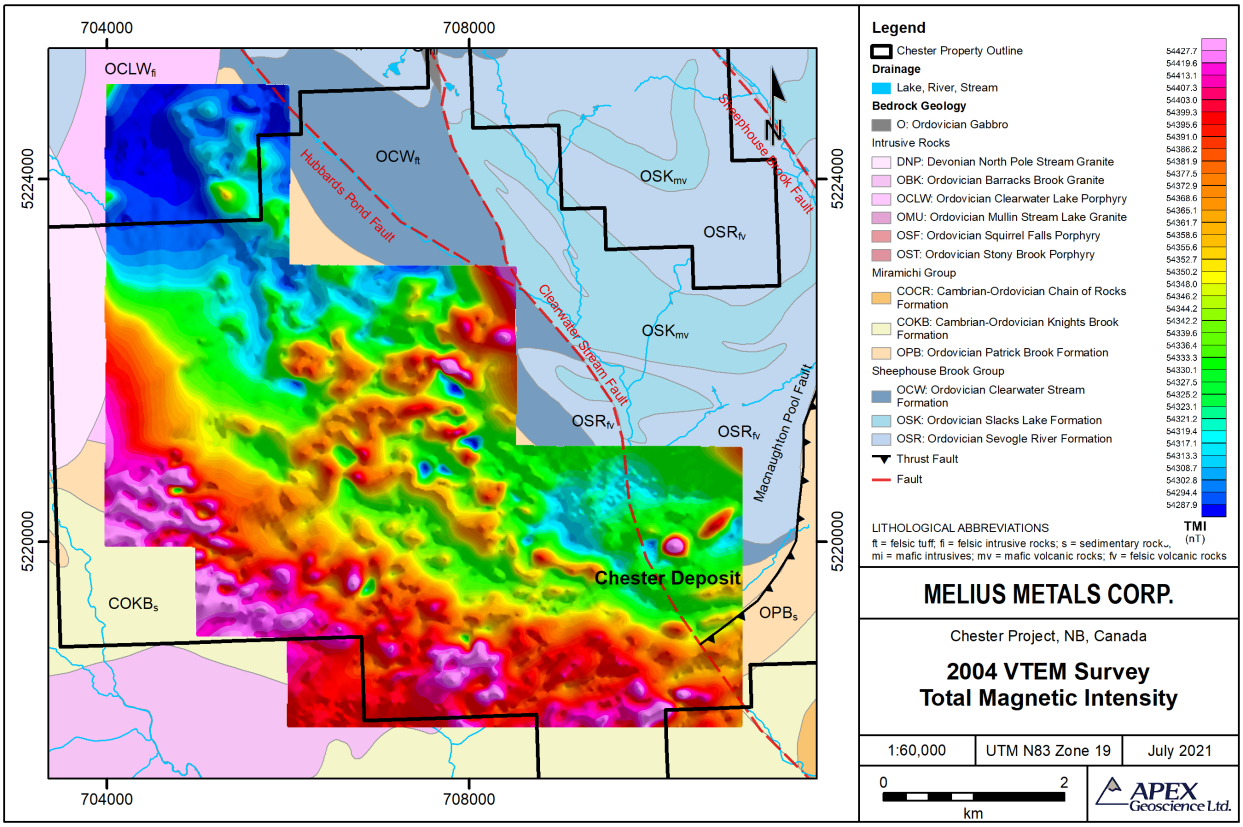
From 1994 to 1999, Bathurst Silver Mines Ltd. ("Bathurst Silver") held claims over the Chester Deposit. In 1995 Bathurst Silver completed 7 diamond drill holes totalling 111 m targeting the Chester deposit (Figure 6.5). The objective was to outline a small high-grade lead zinc zone within the known deposit for potential mill feed for the Heath Steele Mine, located 24 km to the north. The drilling outlined a lens of massive sulphide mineralization, which was significantly higher grade than the overall grade of the Central massive sulphide zone. The most significant intersection was in BSM-3 that returned 7.8 metres averaging 8.37% Zn, 5.05% Pb, 0.25% Cu, 38.9 g/t Ag and 0.28 g/t Au, which included 4.0 metres averaging 10.21% Zn, 6.88% Pb, 0.33% Cu, 50.0 g/t Ag and 0.28 g/t Au (Hamilton and Brooks, 2004; Mersereau, 1995). Bathurst Silver additionally completed a Max-Min I EM survey, VLF and Magnetometer survey, and a gravity survey. The surveys identified anomalies associated with the Chester Deposit (Mesereau, 1999A).

From 1998 to 2000, Black Bull Resources Ltd. ("Black Bull") optioned the Property from Teck and conducted surface sampling, VLF-EM, gravity and IP geophysical surveys, and minor diamond drilling in the Chester Deposit area. Several IP anomalies were identified, and two holes were drilled to test an anomaly which extended northwest from the Chester Deposit (Figure 6.5). Drill hole CH-99-1 encountered very poorly mineralized felsic tuffs, which were not considered to be the source of the IP anomaly. Hole CH-99-2, drilled 100 metres north of CH-99-1, intersected minor mineralization, locally up to 25% pyrite-pyrrhotite with maximum copper values of 819 ppm and maximum zinc of 1838 ppm (Mersereau, 1999B).

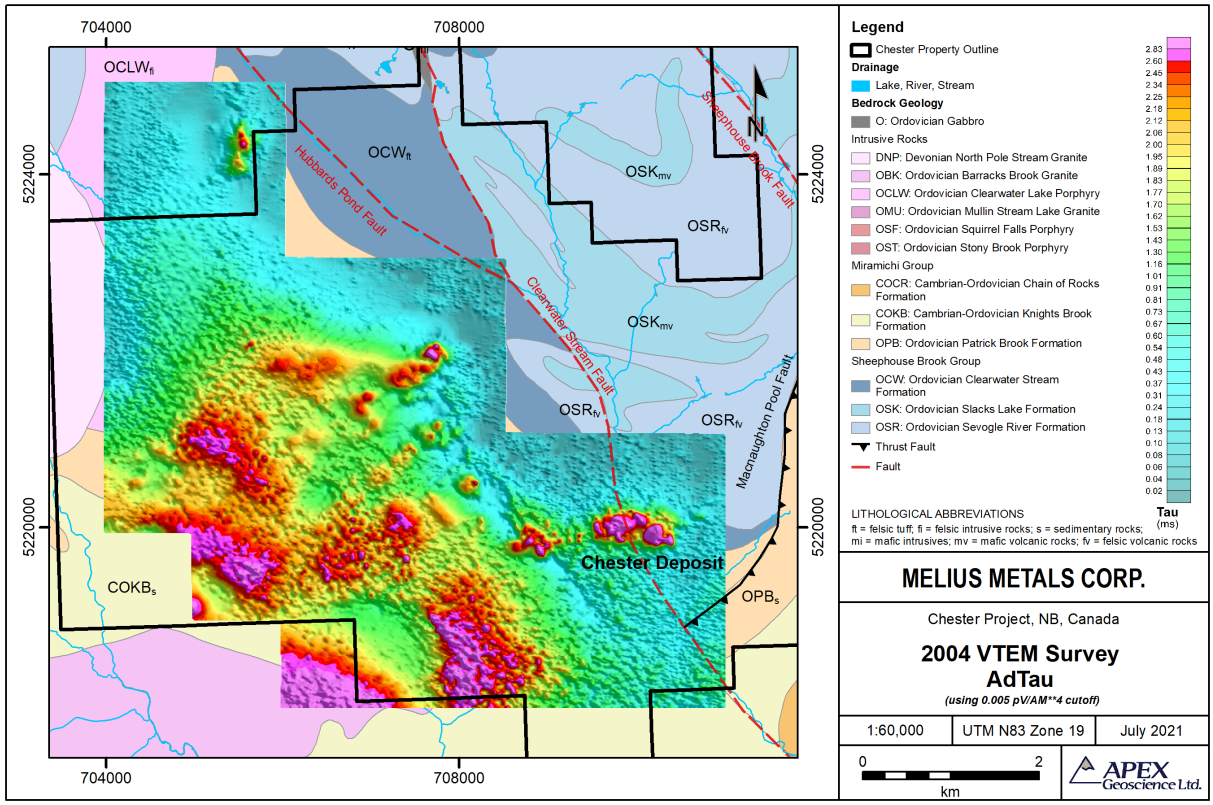
In 2002, Earnest Brooks optioned four claims within claim blocks 1571 and 2428 from NES and Bathurst Silver, respectively. In 2003, First Narrow Resources Corp. (FNR) optioned these four claims as well as an additional claim from Teck. Between 2002 and 2008, FNR completed geochemical sampling, geological mapping, airborne and ground geophysical surveys and drilling. In 2004, Noranda Exploration flew a MegaTEM II survey over the entire Bathurst camp and provided the data over the Chester block to FNR. FNR subsequently commissioned a Geotech Versatile Time Domain Electromagnetics ("VTEM") helicopter-borne survey to follow up on several unexplained geophysical anomalies from the Noranda MegaTEM II survey. The survey included 675.2 line kilometres covering an area of 31 km^2 (Figure 6.6; Brooks, 2005).

FNR then contracted Condor Consulting to complete processing, analysis and interpretation of the VTEM data

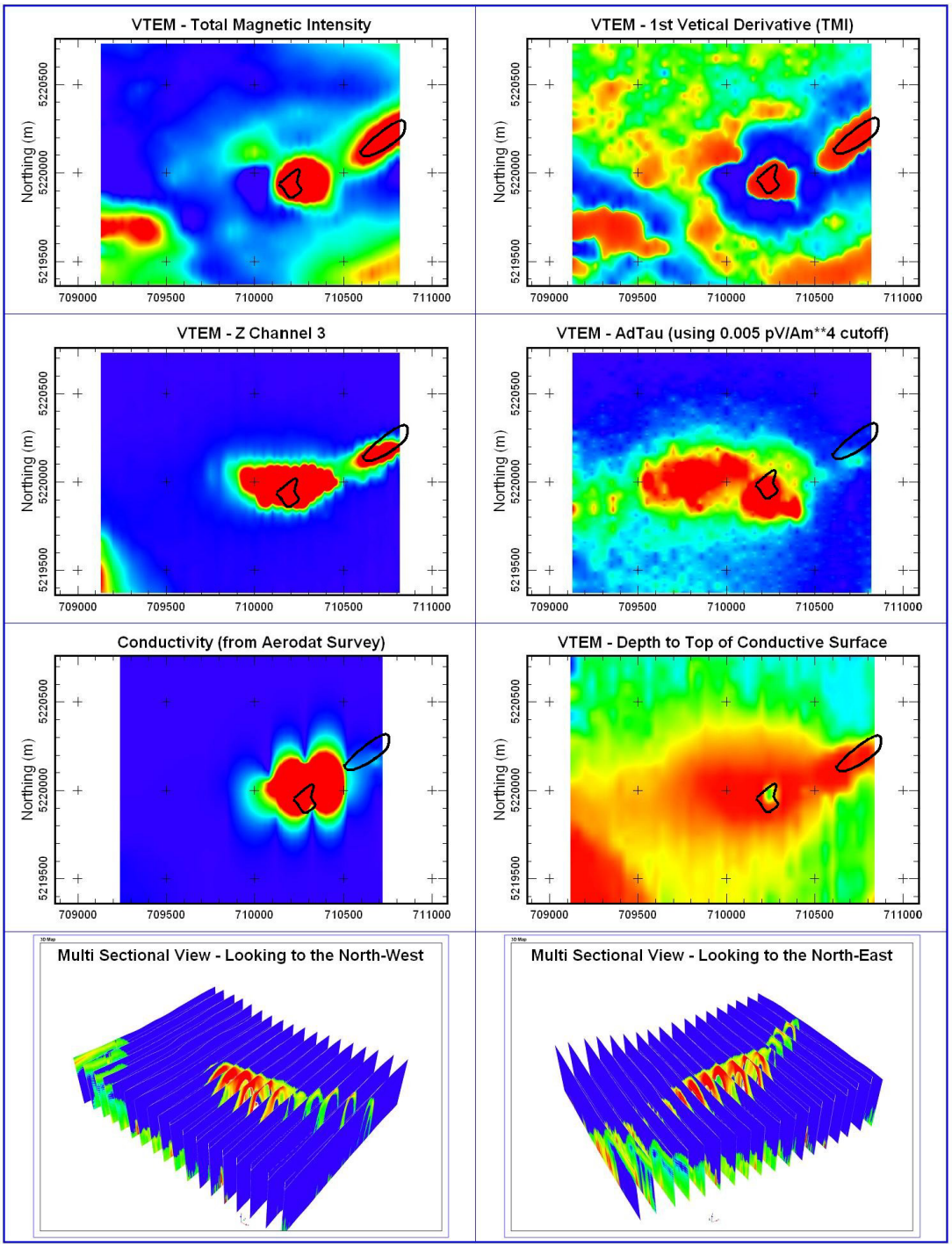
(Brooks, 2006). Interpretation of the VTEM survey data identified 13 target zones for follow-up (Figures 6.6 and 6.7). The Chester Deposit itself is characterized by coincident strong EM and magnetic responses (Figure 6.8).



See "*Chester Technical Report - Figure 6.6 2004 VTEM Survey - Total Magnetic Intensity (TMI)*"



See "*Chester Technical Report - Figure 6.7 2004 VTEM Survey – AdTau*"



See "*Chester Technical Report - Figure 6.8 Chester Deposit Geophysical Response*"

FNR drilled a total of 198 core holes on the Property. A total of 179 holes targeted the near-surface Copper Stringer (West) Zone (Figure 6.3), the remaining 19 holes targeted the Central VMS zone and other targets away from the main deposit (Figures 6.4 and 6.5). FNR completed methodical confirmation and delineation drilling on the deposit with drill holes variably spaced at 6.25-metre spacing (and locally 3.25 m) in the upper part of the Stringer zone to an average of 12.5-metre spacing throughout the majority of the drilled area and expanding to 25-metre spacing at the western limits of the program. The vast majority of both FNR and pre-FNR drill holes are oriented vertically which result in favourable pierce angles with the shallow-dipping mineralized zone.

Validated FNR drill results were compared with the pre-FNR drilling data over a restricted "test" area. Sim and Davis (2008) report that the test involved an interpretation of +0.5% Cu in Stringer Zones 2 and 3 derived from each data set and then comparisons of de-clustered sample data within each domain. The results showed similar grades in each zone but the pre-FNR drilling generated a higher volume of lower-grade material. It should be noted that the pre-FNR drill holes average 25-metre spacing through the test area compared to <12.5-metre spaced FNR holes. It was concluded that the results between the two vintages of drilling were sufficiently similar and the pre-FNR drilling could be considered reliable for use in estimating mineral resources (Sim and Davis, 2008).

The FNR diamond drilling was completed by Maritime Diamond Drilling Ltd. of Truro, Nova Scotia using a Longyear Model 38. All FNR holes used NQ-sized drill core. The core from pre-FNR drilling is a combination of AXT, BQ and NQ sizes.

Drilling by FNR in 2003 targeted the upper part of the Stringer Zone and select portions of the VMS zone with the results of the drilling confirming the mineralization intersected in the pre-FNR drilling data and resulting in the discovery of new zones of copper-polymetallic mineralization (Sim and Davis, 2008). Select results of the FNR drilling completed in 2003 are presented in Table 6.1.

Exploration drilling by FNR in 2004 included two holes (C-04-014 and C-04-015) drilled 600 m to the west of the known limit of the Stringer Zone historical resource and mineralized area. The two drill holes targeted mineralization intersected in pre-FNR drill hole S-436, which reported 0.91 m of 2.30% Cu, 1.40% Pb and 1.11% Zn from 315.15 m and 23.16 m of 1.53% Cu, 1.64% Pb and 0.94% Zn from 324.6 m. Drill hole C-04-014 intersected 1.3 m of 2.23% Cu from 325.5 m depth and 2.75 m of 1.84% Cu from 336.5 m. The results did not exactly replicate the intersections reported in S-436; however, they confirmed the presence of Stringer Zone mineralization over a total strike length of 800 m (Figure 6.5).

Additional exploration drilling on the Property in 2004 included 3 holes testing the upper part of the Stringer Zone and 2 holes targeting a VTEM/soil geochemical anomaly situated approximately 3.5 km to the northwest of the underground portal. Felsic volcanic rocks with local disseminated to massive pyrrhotite-pyrite and local chalcopyrite were observed in both drill holes (CNW-04-001 and CNW-04-002) testing the geophysical/soil anomaly. Drill hole CNW-04-001 returned 0.9 m of 0.31% Cu from 3.0 m depth and CNW-04-002 returned 5.2 m of 0.28% Cu from 3.0 m depth (Sim and Davis, 2008).

Drill Hole	Mineralized Zone	From (m)	To (m)	Length (m)	Cu (%)	Ag (g/t)	Au (g/t)	Co (g/t)	Bi (g/t)	Ga (g/t)	In (g/t)	Sc (g/t)
C-03-06	Upper Zone	84.28	89.70	5.42	1.17	5.60	0.086	108	29	17.60	0.4	trace
Including	Upper Zone	86.00	88.80	2.80	1.95	7.80	0.131	127	40	23.70	0.7	trace
C-03-10	Upper Zone	72.54	78.02	5.48	1.56	2.30	0.300	92	131	18.70	8.8	11.6
Including	Upper Zone	73.00	74.06	1.06	4.09	7.20	1.250	117	315	11.30	20.8	6.6
C-03-10	Lower Zone	92.96	101.80	8.84	1.56	2.10	0.117	111	100	24.60	11.2	14.7
Including	Lower Zone	98.20	101.60	3.40	2.51	3.30	0.194	153	187	27.80	15.8	15.3
C-03-11	Lower Zone	95.90	107.40	11.50	0.76	1.00	0.054	72	62	20.20	4.7	14.8
C-03-13	Upper Zone	131.80	141.20	9.40	0.39	trace	0.012	40	20	33.60	3.7	21.6

See "*Chester Technical Report - Table 6.1. FNR 2003 Drilling Highlights*"

Age dating using the Pb/Zr method was completed by Activation Laboratories Ltd. Of Ancaster, ON on core samples collected from felsic volcanic rocks near the bottom of holes C-04-015 and CNW-04-001. The age dating analysis resulted in an age of 469 +/- 0.3 Ma for both core samples, which correlates to the age obtained from a Clearwater Stream Formation surface sample collected to the west of Chester. The results of the age dating analysis indicate that greater than 580 m of Clearwater Stream Formation lies within the Chester Project. The Clearwater Stream Formation is known to host significant mineral deposits of the Bathurst Mining Camp (Sims and Davis, 2008).

FNR also completed a soil geochemical survey over the property in 2004. The results were consistent with the known mineralization at Chester and identified several anomalous areas west and northwest of the Chester Deposit (Sim and Davis, 2008).

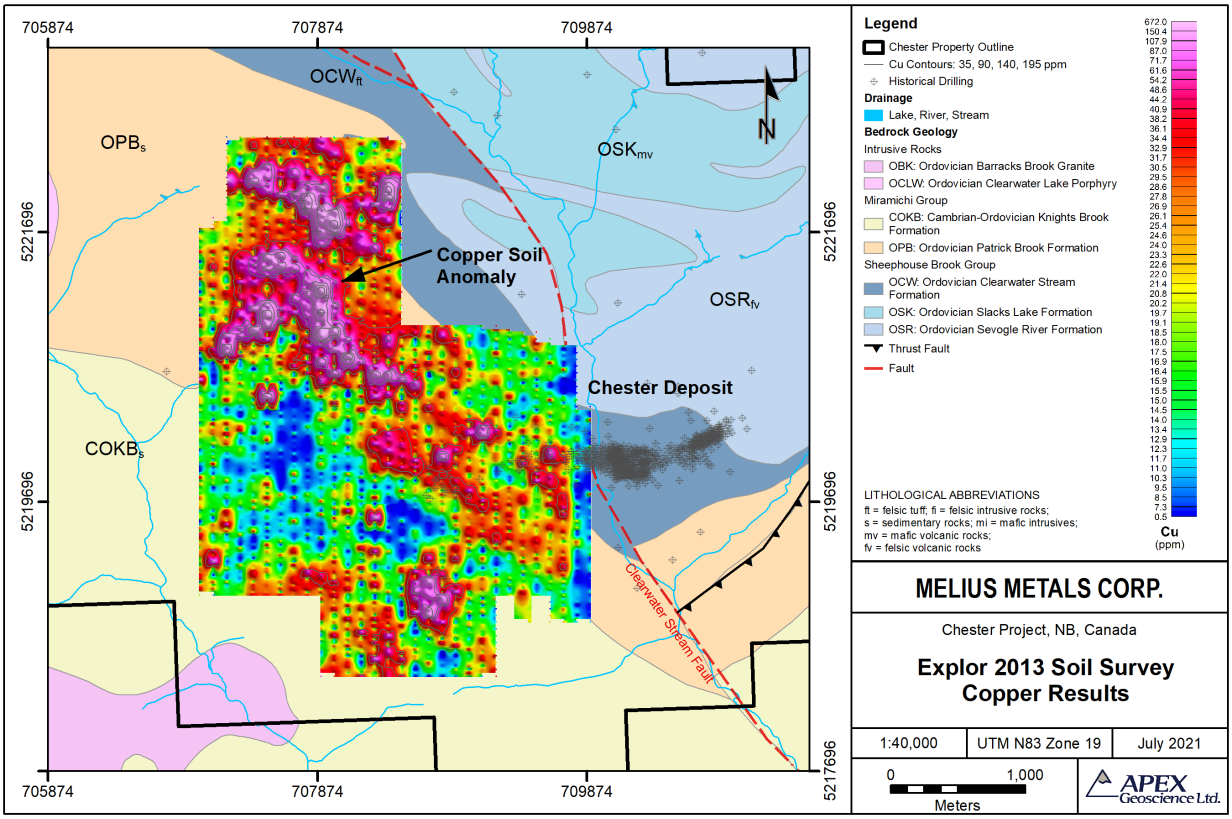
Most of the drilling completed by FNR in 2006 and 2007 focused on near-surface Stringer Zone mineralization of the Chester Deposit. Exploration drilling by FNR in 2007 was completed in proximity to, and north of, the underground portal. Felsic volcanic rocks with rare traces of sulphides were observed in the drill core. Felsic tuffaceous and rhyolitic rocks of the Clearwater Stream Formation with local zones of sericite and/or chlorite alteration was observed in drill hole C-07-P1X, collared next to the underground portal (Sims and Davis, 2008).

From 2012 to 2014, Earnest Brooks completed line-cutting, sampling, geological mapping, and ground geophysical surveying (Mag and VLF). A total of 245 soil samples, 3 stream sediment samples and 2 rock samples were collected, and 7.8-line km of ground magnetometer and VLF surveys were completed. Geological mapping discovered significant outcrops of Clearwater Stream Formation rocks that were not previously documented (Brooks, 2013).

In 2013-2014, the northwestern part of the Chester Project was explored by Explor and Brunswick Resources Inc. (Brunswick Resources). Explor concentrated their exploration program on the west side of Clearwater Stream in an area that had seen little exploration since the 1950s. Ten short diamond drill holes totalling 1,103 m were drilled and intersected copper mineralization associated with disseminated chalcopyrite in a layer of altered felsic volcanics that were interpreted to be of the Clearwater Stream Formation (Figures 6.4 and 6.5). Additionally, geological mapping, ground magnetics and VLF surveys were conducted east of the East Zone (Figure 6.3). The geophysical results identified a fairly large magnetic source associated with a VLF anomaly in the centre of the south grid. A preliminary field examination of the area showed that the magnetic anomaly is associated with a fairly flat-lying bed of black sediments, probably of the Miramichi Group. (Brooks, 2015). Several anomalous areas with elevated Cu, Zn and Pb levels were identified including an area located about 1 km northwest of the current Chester Deposit (Figure 6.10). The anomalous area (labeled “Anomalous Soil Copper Anomaly” in Figure 6.10 is coincident with anomalous magnetometer and VLF results. Geological mapping indicated the potential presence of sericite-altered volcanic host rocks in the area (Sim, 2014).

In 2016, Explor targeted the westward continuity of the Copper Stringer Zone under Clearwater stream with 4 drill holes (Figure 6.5). Three holes were drilled in a fan pattern and intersected five zones of significant mineralization. Significant intersections from hole 1571-15-1 included 3.55 m averaging at 7.97% Cu, 113 ppb Au, 6.65 ppm Ag, 932 ppm Zn and 86 ppm Pb and 1.31 m averaging at 13.81% Cu, 416 ppb Au, 9.55 ppm Ag, 710 ppm Zn and 91 ppm Pb. The fourth hole (1571-16-004) was collared 139 m to the west and 30 m south. It also intersected mineralization with 11.5 m averaging at 2.36% Cu including 3.7 m at 3.88% Cu or 7.6 m at 3.06% Cu. The drilling confirmed the continuity of the Copper Stringer Zone to the west of Clearwater Stream. Based on the drill data, the Copper Stringer Zone was interpreted to be on the stratigraphic horizon between the lower Clearwater Stream Formation and the overlying Sevogle River Formation (as described by Brooks, 2017a). This interpretation is in discrepancy with the previous overturned recumbent syncline model (Hupé and Gagné, 2020).

In fall 2016, an additional 8 holes totalling 1,320 m, were drilled. Three holes (6003-16-012, 013 and 016) targeted a near surface soil geochemical anomaly and a coincident VTEM anomaly (from the 2004 survey). The three holes intersected a thin mineralized layer within a thicker zone of sediments consisting of various siltstones, shaley sediments and possibly resedimented felsic tuffs and sediments. Foliation fabrics in the Clearwater Stream Formation intersected in 2 of the holes seem to support the existence of a recumbent isoclinal fold structure (Hupé and Gagné, 2020). Two additional holes (6003-16-014, 015) were drilled to test the continuity of the mineralized zone eastward. Both holes intersected mineralization. Hole 6003-15-017 was drilled 2.5 km north of hole 6003-16-012 and intersected scattered sulphide mineralization. Holes 6005-16-01 and 02 targeted a copper-in-soil geochemical anomaly in an area of historical drilling that returned significant copper mineralization located approximately 500 m south of the above holes. These 2 holes failed to intersect mineralization, further exploration in the area was recommended (Brooks, 2017b).



See "*Chester Technical Report - Figure 6.10 Explor 2013 Soil Samples - Copper in soil geochemistry*"

In Spring 2021, a diamond drill program was conducted on behalf of Puma the seller of the Chester Project. The program consisted of seven (7) NQ-sized diamond drillholes totalling 1,785 m. The holes targeted Computer Aided Resources Detection System (CARDS) Artificial Intelligence (AI) anomalies, VTEM conductors, gossanous mineralization and the extension of known copper stringer mineralization. Three holes were drilled southwest of Clearwater Stream targeting VTEM anomalies (C21-01) and a CARDS anomaly (C21-02) and the continuity of the Stringer (West) Zone, (C21-07). All three holes intersected mineralization which explained the anomalies and extended the Stringer (West) Zone. Significant core length intersections include: 0.8 m at 1,510 ppm Zn with 530 ppm Cu in hole C21-01 and 0.65 m at 8,600 ppm Cu and 2,910 ppm Zn in hole C21-02. Hole C21-07 returned two intervals with significant average grades including 7.25 m from 356.75 m to 364.0 m averaging 0.46% Cu, and 12.5 m from 383.5 m to 396.0 m averaging 0.38% Cu. Four core drill holes were drilled east of Clearwater Stream targeting the historical CN-12 area (C21-03 and -04) and the potential of the gossan and massive mineralization to host significant gold (C21-05 and 06). Hole C21-04 intersected several intervals of mineralization including 31.4 m from 43 m to 74.4 m averaging 0.63 ppm Ag, 1,313 ppm Pb and 1,720 ppm Zn. Holes C21-05 and -06 intersected notable gold in the gossan beneath the overburden including gold averaging 0.17 grams per tonne ("g/t") gold ("Au") over 3.95 m in hole C21-05, and gold values ranging from 0.013 g/t up to 0.955 g/t from 4 to 7.6 m in hole C21-06. The underlying massive to semi-massive mineralization returned expected values in Ag, Cu, Pb and Zn.

Historical drilling on the Property has been conducted by several companies from 1956 to 2016. The current drillhole database contains information for 804 drillholes, totalling 70,803 m, located within the confines of the current Chester Project. The majority of these drillholes, 761 drillholes totalling 64,690 m, targeted the Chester Deposit and possible extensions of the deposit. A summary of the historical drilling conducted at the Chester Project is presented in Table 6.2. Table 6.3 provides a summary of the holes targeting the Chester Deposit. Select historical highlights showing core length intercepts from the Feeder Zone and Massive Sulphide Zone of the Chester deposit are listed in Table 6.4.

Company	Year(s)	Total Drillholes	Dip (degrees)	Orientation (Azimuth)	Total length (m)
Kennco Explorations Ltd.	1955-1957	134	-45 to -90	0 to 285	12,675
Chesterville Mines Ltd.	1959	1	-90	0	91
Newmont Mining Corp.	1963	3	-60 to -90	0 to 23	712
Sullivan Mining Group/Sullico	1966-1968	430	-90	0	32,659
Teck Exploration Ltd.	1995-1997	6	-70 to -90	19 to 247.5	2,160
Brunswick Mining and Smelting	1993	2	-50 to -90	113 to 218	532
Black Bull Resources	1999	2	-88 to -90	144 to 278	583
Unknown operator (pre-FNR)		7	-90	0	111
First Narrows Resources	2002-2007	197	-45 to -90	0 to 355	18,023
Explor	2014-2016	22	-45 to -90	0 to 180	3,257
TOTALS		**804**			**70,804**

See "*Chester Technical Report - Table 6.2 Summary of historical drilling at the Chester Property*"

Company	Year(s)	Total Drillholes	Dip (degrees)	Orientation (Azimuth)	Total length (m)
Kennco Explorations Ltd.	1955-1957	120	-45 to -90	0 to 218	11,878
Chesterville Mines Ltd.	1959	1	-90	0	91
Sullivan Mining Group/Sullico	1966-1968	428	-90	0	32,490
Teck Exploration Ltd.	1992-1997	1	-70 to -70	145 to 145	389
Black Bull Resources	1999	2	-88 to -90	144 to 278	583
Unknown operator (pre-FNR)		7	-90	0	111
First Narrows Resources	2002-2007	193	-45 to -90	0 to 355	17,324
Explor	2014-2016	9	-45 to -90	0 to 180	1,824
TOTALS		**761**			**64,690**

See "*Chester Technical Report - Table 6.3 Summary of historical drilling targeting the Chester Deposit*"

Feeder Zone (Surface to 50 m)	Massive Sulphide Zone (Surface to 50 m)
4.8% Cu over 20.3 m	10.8% Zn and 4.5% Pb over 5.6 m
3.4% Cu over 25.0 m	7.4% Zn + 2.3% Pb over 6.1 m
6.0% Cu over 13.1 m	8.0% Zn + 3.9% Pb over 7 m
8.0% Cu over 5.2 m	8.5% Zn + 4.0% Pb over 7.9 m
4.9% Cu over 14.2 m	7.0% Zn + 2.6% Pb over 15.6 m

See "*Chester Technical Report - Table 6.4 Chester Deposit Historical Drilling Highlights*"

The most recent mineral resource estimate (MRE) was reported by Explor in 2014 for the Stringer (West) Zone (Table 1.1). The MRE was based on sample assay results from 379 drillholes and the interpretation of a geological and mineralization model based upon the spatial distribution of copper and minor constituents: zinc and silver. The MRE was constructed utilizing industry standard modern statistical methods, a block model size of 2m x 2m x 2m and ordinary kriging (OK) based upon search strategies defined by variography. The MRE considered appropriate mineral resource classifications and the resource was generated for a scenario encompassing a combination of open pit and underground extraction options in order to demonstrate reasonable prospects for economic extraction. An open pit cut-off grade of 0.5% copper and an underground cut-off grade of 2% copper were used. The resource model was originally constructed in 2008 based upon an underground mining only for economic extraction. The 2014 MRE utilized different metal pricing. The MRE was constructed prior to latest Canadian Institute of Mining (CIM) Definition Standards for Mineral Resources and Mineral Reserves (May, 2014) and CIM Estimation of Mineral

Resources & Mineral Reserves Best Practices Guidelines (November, 2019). The 2014 MRE is considered historical in nature.

Class	Cut-off (Cu%)	Ktonnes	Cu (%)	Zn (%)	Ag (g/t)
In-Pit					
Measured	0.5	101	1.87	0.14	6.7
Indicated	0.5	1,296	1.34	0.06	3.3
Measured and Indicated	0.5	1,397	1.38	0.06	3.5
Inferred	0.5	2,060	1.25	n/a	n/a
Below Pit					
Inferred	2.0	29	2.33	n/a	n/a
Combined					
Measured	0.5	101	1.87	0.14	6.7
Indicated	0.5	1,299	1.34	0.06	3.3
Measured and Indicated	0.5	1,400	1.38	0.06	3.5
Inferred	variable	2,089	1.26	n/a	n/a

See "*Chester Technical Report - Table 1.1 2014 Explor Resources Historical Mineral Estimate (Sim, 2014)*"

Geological Setting, Mineralization and Deposit Types

Regional Geology

The Bathurst Mining Camp stratigraphy comprises an Ordovician sequence of felsic and mafic volcanic rocks and sedimentary rocks (Figure 7.4). The volcanic rocks were erupted onto an older sequence of Cambrian-Ordovician clastic sedimentary rocks (Miramichi Group) on the Gondwanan continental margin. Sedimentary rocks are intercalated with the volcanic rocks, and there is a distinctive post-volcanic sedimentary succession (Tomogonops Formation). The Moose Lake-Tomogonops fault system is a major high-strain zone, trending east-west, that divides the Bathurst mining camp into northern and southern structural and stratigraphic domains (Wilson and Fyffe, 1996). The Chester deposit is located in the southern domain. The tectonostratigraphic framework of the Bathurst Mining Camp is illustrated in Figure 7.5.

The Cambrian-Ordovician Miramichi Group is divided into 3 formations: Chain of Rocks, Knights Brook, and Patrick Brook; and comprises a thick sequence of quartz wacke and shale of unknown thickness. These rocks have been interpreted as a flysch apron on the Avalon continental margin (Rast and Stringer, 1974; van Staal and Fyffe, 1991).

The Miramichi Group is conformably to disconformably overlain by the Tetagouche Group which is divided into four formations: Nepisiguit Falls, Flat Landing Brook, Little River and Tomogonops. The Tetagouche Group hosts most of the Bathurst Mining Camp base metal massive sulphide deposits. The Nepisiguit Falls Formation consists of massive, quartz-feldspar porphyritic (2-15 mm) tuff lava, and medium- to coarse-grained, granular, quartz-feldspar-rich volcaniclastic rocks with minor intercalated ash tuff. The Flat Landing Brook Formation consists of feldspar-phyric (+/- quartz) rhyolite flows, hyaloclastic, pyroclastic rocks and minor sedimentary rocks, including some iron formation. The Little River Formation conformably overlies the Flat Landing Brook Formation and comprises mafic volcanic and associated sedimentary rocks. The Tomogonops Formation consists of light grey, thinly bedded, commonly calcareous siltstone (+/- limestone) and fine-grained sandstone.

South of the Moose Lake-Tomogonops fault system the Miramichi Group sedimentary rocks are overlain by volcanic and associated sedimentary rocks of the Sheephouse Brook Group. Ordovician and Devonian felsic intrusives are common in this area. The Moose Lake - Tomogonops Fault and the Mountain Brook Fault separate the Sheephouse Brook Group from the Tetagouche Group to the north. According to Wilson et al., (1999), the petrographic and geochemical diversity of the Tetagouche and Sheephouse Brook groups suggests that the formations were emplaced in separate basins and derived from separate magma sources. The Sheephouse Brook Group consists of the Clearwater Stream, Sevogle River, and Slacks Lake formations in ascending stratigraphic order.

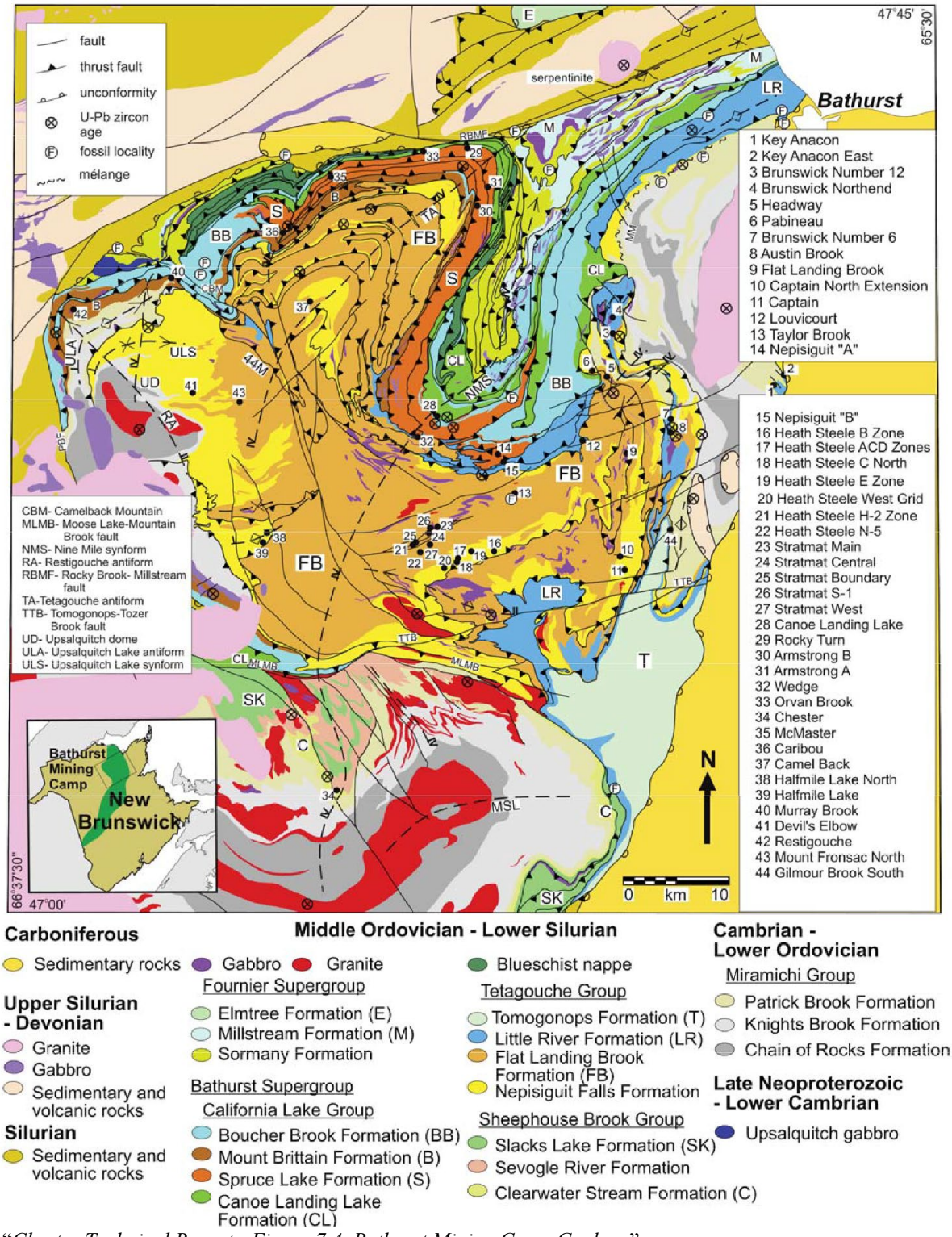
The Clearwater Stream Formation consists of medium to dark green, strongly foliated plagioclase-phyric volcanic

rocks of dominantly dacitic composition that overlie the Patrick Brook Formation (Miramichi Group). Muscovite and biotite (partially altered to chlorite) define the schistosity, and porphyroblasts of carbonate are characteristic of the unit. Primary volcanic structures and textures have generally been destroyed by structural and metamorphic overprinting (i.e. up to biotite grade), however the high abundance of plagioclase crystals and crystal fragments (10 to 45%), and local rare bedding indicate pyroclastic emplacement (Wilson and Fyffe, 1996). In the past, the contact of the Clearwater Stream Formation with the underlying Patrick Brook Formation had been interpreted as highly strained or as a thrust fault (MacNaughton Pool; Wilson and Fyffe, 1996). As well, local subordinate rhyolites were also noted to be present in the Clearwater Stream Formation.

The Clearwater Stream Formation is overlain by the Sevogle River Formation, which consists of light greenish grey to greyish pink, massive to well-foliated, potassium-feldspar-phyric rhyolite (Wilson and Fyffe, 1996). Feldspar phenocrysts range from 0.2 to 2.0 mm and may constitute up to 15% of the rock. Local intercalated sedimentary rocks occur within the Sevogle River Formation, including dark grey siltstones and shales, minor carbonaceous shale and rare lenses of crystalline limestone. The Sevogle River Formation is conformably overlain by the Slacks Lake Formation, which consists of basalt with interbedded sedimentary rocks and minor comendite. Sedimentary rocks include dark grey, locally graphitic, shale, and red and green chert. Chemical similarities between felsic volcanic rocks and felsic intrusive rocks in the Chester area suggests that rocks of the Clearwater Stream and Sevogle River formations may be the volcanic counterparts of the Squirrel Falls Porphyry and the Clearwater Lake Porphyry, respectively.

The structural geometry of the Bathurst Camp reflects an interference pattern produced by polyphase deformation. Four, locally five, phases of deformation are recognised:

1. Late Ordovician-Early Silurian D1 deformation resulted in major thrust faults, narrow ductile high strain zones, and steeply inclined to recumbent, non-cylindrical folds.
2. Early Silurian D2 deformation is characterized by tight to isoclinal folds with generally shallow plunge, and out-of-sequence thrusts, which are commonly marked by zones of tectonic melange.
3. Late Silurian D3 deformation resulted in the refolding of D1 and D2 structures by recumbent folds related to extensional collapse.
4. Middle Devonian F4 and F5 folds refolded all earlier structures but rarely have overprinting relationships. These folds range in scale from millimetres to kilometres and produce dome and basin structures. They are interpreted to have resulted from dextral transpression in the northern Appalachians.



See "*Chester Technical Report - Figure 7.4. Bathurst Mining Camp Geology*"

Chester Property Geology

The Chester Project is located south of the east-west trending Moose Lake-Tomogonops fault system. The southern part of the Chester Project is underlain by the Miramichi Group while the northern and central parts of the property

are underlain by the Sheephouse Brook Group of the Bathurst Super group (Figure 7.6). All rock types display mineralogy that is consistent with greenschist facies metamorphism.

The Miramichi Group consists of the Knights Brook and Patrick Brook formations. The Knights Brook Formation comprises moderately to strongly foliated, interbedded dark grey shale and greyish sandstone. This formation conformably underlies the Patrick Brook Formation.

Within the Patrick Brook Formation, felsic volcanic rocks similar to those of the overlying Clearwater Stream and Sevogle River Formations have been observed on the west side of Clearwater Stream; these rocks have been referred to as 'volcanic outliers'. West of the Clearwater stream, the contact between the Patrick Brook Formation and the overlying rocks of the Clearwater Stream Formation appears to be conformable. This is also the contact between the Miramichi Group and overlying Sheephouse Brook Group.

The Sheephouse Brook Group consists of the Clearwater Stream, Sevogle River, and Slacks Lake formations in ascending stratigraphic order.

The Clearwater Stream Formation consists of moderately to strongly foliated, dark grey-green, plagioclase-phyric dacitic tufts. Samples contain ~10% subhedral to euhedral plagioclase phenocrysts. These phenocrysts often show sigma-type phenocryst geometry that is consistent with sinistral shear. The plagioclase phenocrysts are set in a fine-grained recrystallized matrix of quartz, muscovite/sericite, plagioclase and chlorite with minor traces of biotite, accessory zircon and opaque minerals. The penetrative foliation is defined by the muscovite and chlorite. The Clearwater Stream Formation conformably underlies the Sevogle River Formation (Wilson and Kamo, 2007).

The Sevogle River Formation consists of weakly to moderately foliated, light grey to grey-pink rhyolites. Samples contain alkali and plagioclase feldspar phenocrysts (0-5%) showing evidence for sinistral rotation, within a fine-grained recrystallized matrix of 60-80% quartz, 5-40% muscovite/sericite (typically 15-30%), 0-5% biotite, minor chlorite and accessory zircon, and opaque minerals. The Sevogle River Formation conformably underlies the Slacks Lake Formation.

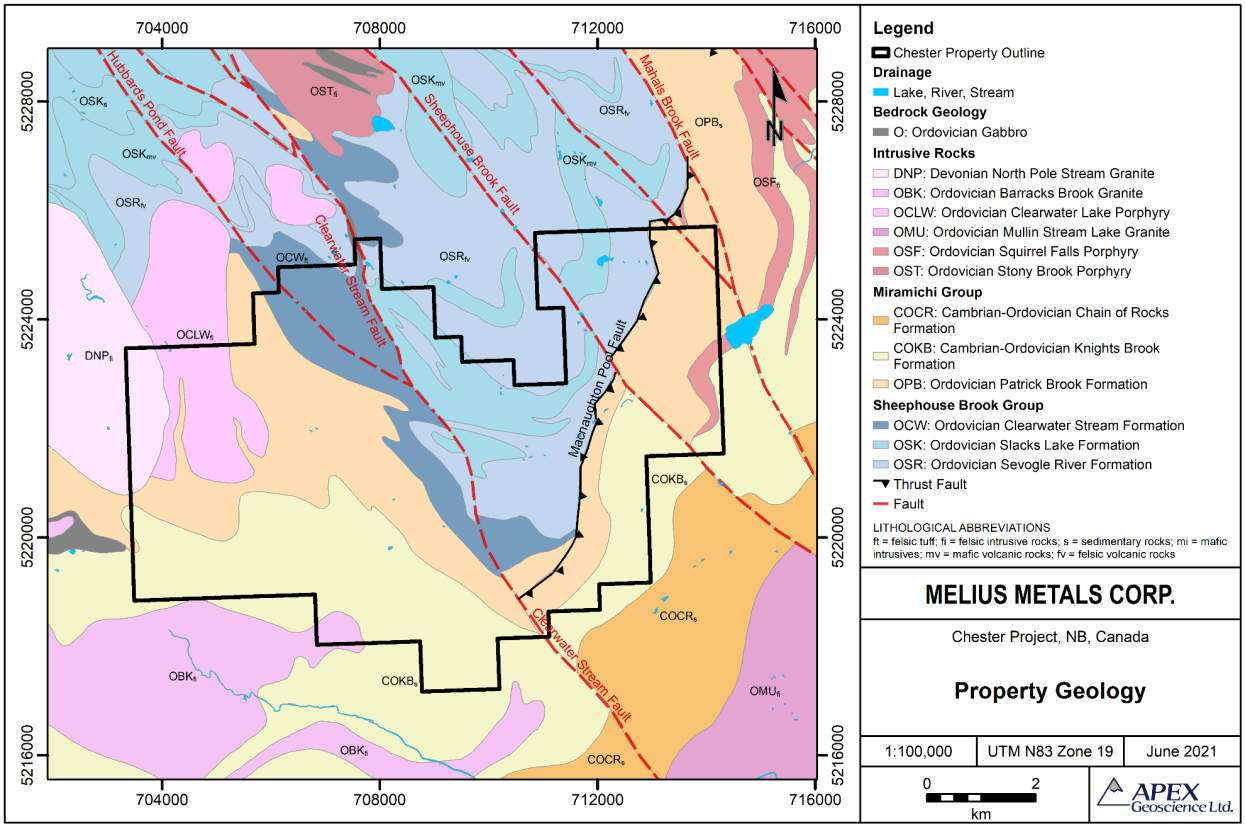
The Slacks Lake Formation consists of moderately to strongly foliated dark green, metamorphosed mafic volcanic rocks.

Historically, substantial differences in ages were reported for the Sevogle River (466 ± 2 Ma) and Clearwater Stream (478 +3/-1 Ma) formations. This was interpreted to suggest that a depositional hiatus or tectonic break existed between the formations (Wilson et al., 1999). However, age dating completed by FNR on core samples from the Clearwater Stream Formation yielded an age of 469 +/- 0.3 Ma for each sample. Subsequently, the GSC dated another sample from their type section for Clearwater Stream and that sample confirmed the results of FNR of 469+/- 0.3 Ma. These age dates indicate that the Clearwater Stream Formation is the same age as the Nepisiguit Falls Formation and therefore the same age as the stratigraphic unit that hosts the majority of the massive sulphide deposits in the Bathurst Mining Camp. This places the Chester VMS deposit in the same time frame as the biggest VMS deposits in the camp. Age dating indicates that the Sevogle River Formation is coeval with the Flat Landing Brook Formation (465 +2/-1 Ma) of the Tetagouche Group (Sim, 2014).

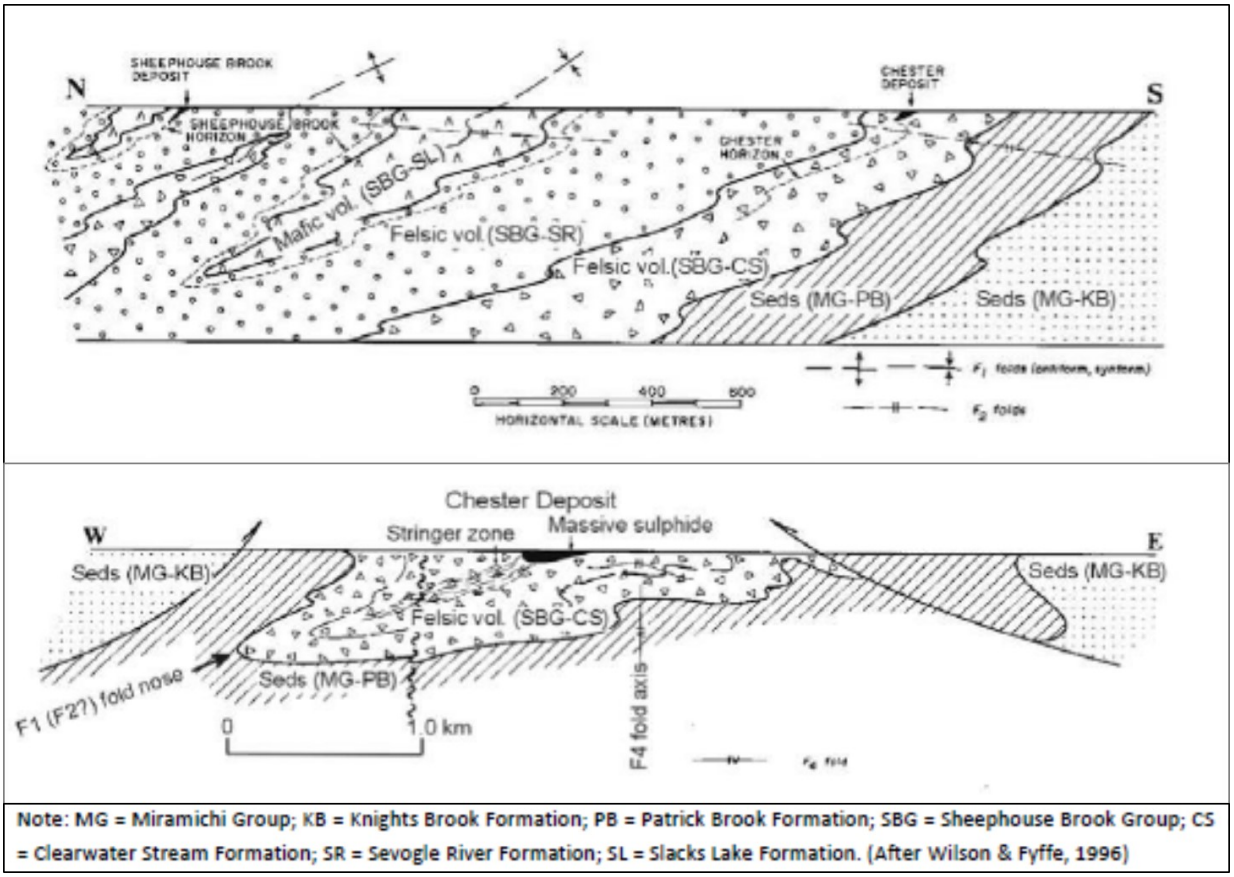
Evidence of glaciation including kames, eskers, glacial striae and glacial erratic's has been reported in the area (Petruk, 1959). Stratified sands and gravels are present but generally not thick enough to produce visible topographic features. The most prominent feature is a hill of stratified gravel just west of the Main Zone of the Chester Deposit but on the west side of Clearwater Stream. More recent mapping in the area has not reported much on the glaciation of the area, with the exception of Black Bull Resources who reported problems with the gravity survey data due to terrain effects caused by local eskers.

The regional structure of the property is interpreted as a large scale, overturned, recumbent syncline (Wilson and Fyffe, 1996; Irrinki, 1986). Multiple drill holes from the property showed repeated stratigraphy down hole and no obvious faulting which is consistent with an overturned recumbent syncline model (Figure 7.7). This interpretation is supported by the map pattern west of Clearwater Stream, where a syncline cored by the Slacks Lake Formation is observed northwest of the Chester deposit. During 2014 to 2017, this interpretation of the regional structure was questioned by First Narrows Resources and E. Brooks from Explor Resources. Drill holes from the Sevogle River and

Clearwater Stream produced lithological descriptions of the felsic rock that led to diverging interpretations. It was suggested that the Chester Project may not be a recumbent fold structure. The presence of potentially mineralized Clearwater Stream formation rocks, located above the Patrick Brooks sediments in the western part of the property has alternatively been interpreted to be the result of thrust faulting. Notwithstanding, rocks interpreted to be part of the Clearwater Formation have been intersected in several deep drill holes (Hupé and Gagné, 2020).



See "*Chester Technical Report - Figure 7.6. Chester Property Geology*"



See "*Chester Technical Report - Figure 7.7. Interpreted Cross Section of the Chester Property*"

Mineralization

The mineralization at the Chester Deposit is interpreted to be feeder or stringer-zone sulphide mineralization that is associated with a volcanogenic massive sulphide (VMS) deposit. Three mineralized zones have been delineated at the Chester Deposit: Stringer Zone (West Zone), Central Zone and East Zone (Figure 6.3; Sim, 2014).

The Stringer Zone (West Zone) is the most extensive and has been traced through drilling over an area measuring almost 300 m by 1000 m. Vein and disseminated chalcopyrite-pyrrhotite-pyrite mineralization is concentrated in at least three sub-parallel zones that dip 15-20° to the west. The individual zones range from less than 1 m thick to greater than 20 m thick and are separated by 10 m to 15 m of patchy mineralized chlorite-altered rhyolite. The zone is characterized by 5% to 10% stringer and disseminated sulphides, in order of relative abundance: chalcopyrite, pyrrhotite, pyrite, with minor amounts of galena and sphalerite occurring in a host rock of quartz chlorite schist.

The Central Zone is exposed at the surface and overlain by 1 m to 15 m of gossan and overburden. It is 130 m wide and 200 m long with disseminated mineralization covering an area of up to 350 m. The Central Zone consists of 4 m to 13 m thick, massive sulphide (mostly pyrite) and disseminated sulphide mineralization that plunges gently to the west. Pyrite, pyrrhotite, sphalerite, chalcopyrite, and galena are the major minerals in the massive sulphide zones (Irrinki, 1986). The zonation in the massive sulphide lenses are denoted with copper-rich, lead/zinc-rich, lead/zinc/copper-rich zones, and pyrite or pyrrhotite zones with minor base metal mineralization.

The East Zone is mostly flat lying and measures 60 m wide and 300 m long. The disseminated mineralization of this zone covers an area approximating 220 m wide and 450 m long. The massive sulphide zone is exposed at the surface and is overlain by up to 7.5 m of gossan and glacial sediments. The East Zone consists of 3 m to 15 m thick, intermixed and disseminated sulphides (mostly pyrite).

Deposit Types

The Chester Deposit is a mafic-type Cu-Zn VMS deposit with associated feeder or stringer-zone sulphide mineralization.

Volcanogenic Massive Sulphide ("**VMS**") deposits typically occur as lenses of polymetallic massive sulphides forming at or near the seafloor in a submarine volcanic setting. VMS deposits are classified as "exhalative" and are syn-genetic stratabound deposits formed through the focused discharge of hydrothermal fluids and precipitation of sulphide minerals in predominately stratiform accumulations. Typical characteristics of VMS deposits are listed as follows:

- Typical VMS deposit is a stratabound body, mound to tabular in shape, composed of predominately massive (>40%) sulphide, quartz and lesser phyllosilicates, iron oxide minerals and altered silicate wall rock.

- The stratabound body is commonly underlain by discordant to semi-discordant stockwork veins and disseminated sulphides.

- The stockwork vein systems are enveloped in distinct alteration halos. The alteration halos may extend into the hanging-wall strata above the deposit.

- Deposits often form in clusters or stacked lenses.

Feeder zones associated with VMS deposits are characterized by intense alteration and disseminated and stringer sulphide mineralization. The Copper Stringer Zone of the Chester Deposit is considered to be a feeder zone associated with the volcanogenic massive sulphide lenses of the Chester Deposit. This is supported by the occurrence of talc, sericite, silicification, intense chlorite alteration, and disseminated and stringer chalcopyrite, pyrrhotite (+/- pyrite) in the Copper Stringer Zone.

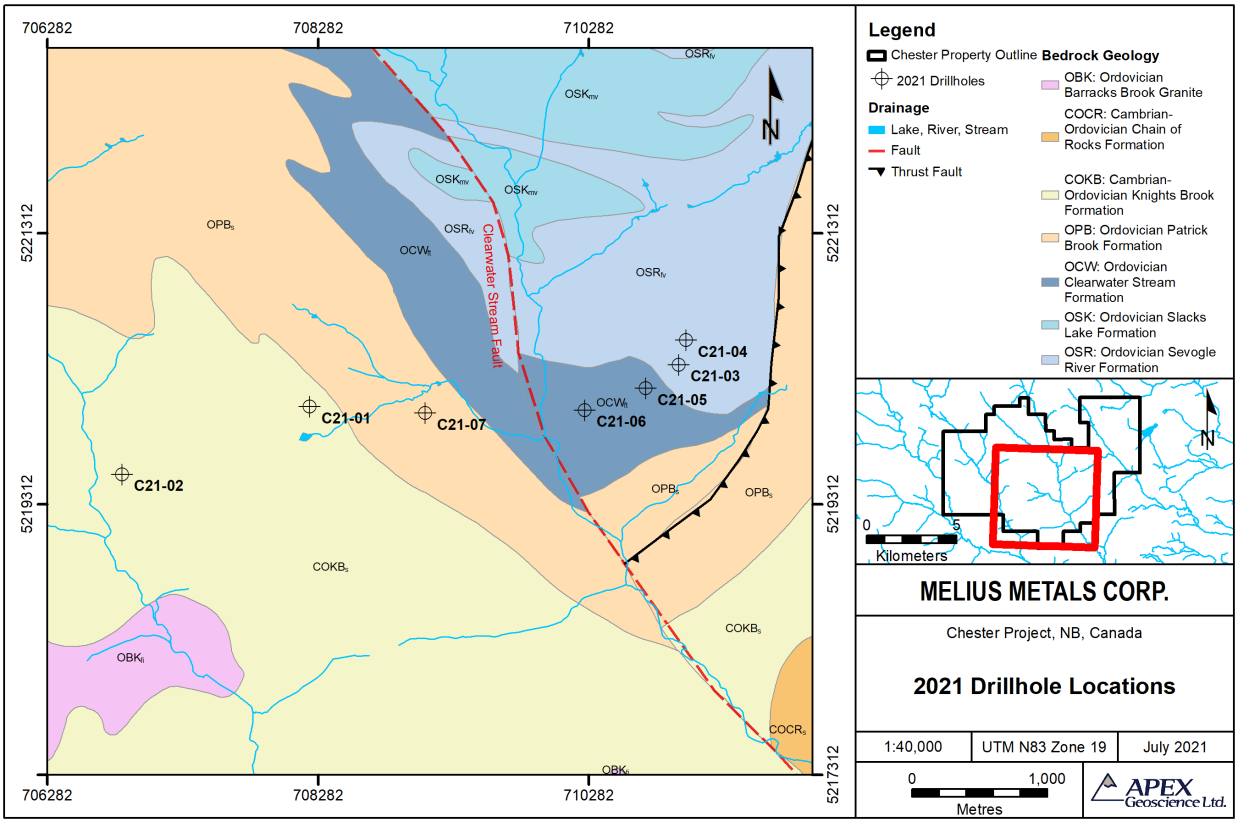
Exploration

No exploration has been completed by the Company, however, in 2021, Puma completed a drill program on the Chester Project.

Drilling

Although no drilling has been performed by the Company, a 2021 drill program conducted on behalf of Puma was completed between February 8th to March 30th, 2021. The program consisted of seven (7) NQ-sized core drillholes totalling 1,785 m (Figure 10.1; Table 10.1). Geominex Inc., of Rimouski, Quebec (QC) managed the drill program and Logan Drilling Ltd, of Moncton, NB, conducted the drilling. The 2021 drillholes targeted CARDS Artificial Intelligence (AI) anomalies, VTEM EM conductors, gossanous mineralization and the extension of known copper stringer mineralization.

Holes C-21-01 and 02 were drilled southwest of the Clearwater Stream targeting VTEM anomalies and a CARDS anomaly, respectively. Mineralization consisted of disseminated pyrite, pyrrhotite with rare sphalerite and chalcopyrite. The majority of mineralization occurred in sediments with minor occurrences of mineralization intersected in the felsic tuff of the Clearwater Stream Formation. Significant intersections include: 0.6 m at 775 ppm Cu and 0.8 m at 1,510 ppm Zn and 530 ppm Cu in hole C21-01; and 0.65 m at 8,600 ppm Cu and 2,910 ppm Zn in hole C21-02 (Table 10.2). The occurrence of this mineralization is interpreted to explain the targeted VTEM and CARDS anomalies.



See "*Chester Technical Report - Figure 10.1 2021 Drillhole Locations*"

DDH #	Easting	Northing	Azimuth	Dip	Length (m)	Target
C21-01	708220	5220030	360	-90	233	VTEM (L1850) 40 m and 250 m
C21-02	706834	5219531	360	-90	289	Cards T-1 (706834/5219531)
C21-03	710945	5220340	360	-60	257	CN-12 area
C21-04	711000	5220520	360	-45	251	CN-12 area
C21-05	710700	5220165	360	-90	86	Massive sulphides-East
C21-06	710250	5220005	360	-90	137	Massive sulphides-Centre
C21-07	709072	5219982	90	-80	532	Stringer mineralization style
				Total	**1,785**	

See "*Chester Technical Report - Table 10.1 Summary of the 2021 drill program"*

Four core holes were drilled east of the Clearwater Stream. Two holes (C21-03 and 04) targeted the area southwest of the historical CN-12 drillhole as well as the 2019 trenched area. Holes C21-03 and 04 intersected mostly rhyolite of the Sevogle River Formation followed by mafic tuff and mafic volcanics of the Slack Lake Formation. Hole C21-04 intersected several intervals of disseminated pyrite-sphalerite and galena returning anomalous zinc, lead and silver over significant intervals. Highlights include 31.4 m from 43 m to 74.4 m averaging 0.63 ppm Ag, 1,313 ppm Pb and 1,720 ppm Zn in hole C21-04 (Table 10.2).

Two holes (C21-05 and C21-06) targeted the gossan and massive mineralization. C21-05 and C21-06 were drilled to test for anomalous gold in the gossan. Under the overburden from 5.5 m to 9.45 m, hole C21-05 intersected gold values ranging from 0.139 g/t up to 0.193 g/t Au, averaging 0.17 g/t gold over 3.95 m (Table 10.2). Hole C21-06 intersected gold values ranging from 0.013 g/t up to 0.955 g/t Au from 4 to 7.6 m. Massive to semi-massive mineralization returned expected values in Ag-Cu-Pb-Zn (Table 10.2).

C21-07 tested the continuity of the Stringer Zone in an area southwest of the Clearwater Stream that had not been tested previously. The stringer zone was intersected between 344 m to 431 m hosted in chloritized Clearwater Stream felsic volcaniclastics. Mineralization consisted of disseminated to semi-massive pyrite, pyrrhotite, chalcopyrite and minorly sphalerite. Two intervals returned the most significant average Cu grades: 7.25 m from 356.75 m to 364 m grading at 0.46% Cu and 12.5 m from 383.5 m to 396 m grading at 0.38% Cu (Table 10.2).

DDH #	From (m)	To (m)	Length (m)	Cu (ppm)	Zn (ppm)	Pb (ppm)	Ag (ppm)	Au (ppm)
C21-01	25.5	26.1	0.6	775	118	31	0.33	0.026
C21-01	37.8	38.6	0.8	530	1510	34	0.13	
C21-02	60.6	61	0.4	720	898	11	0.51	
C21-02	124.6	125.25	0.65	**8,600**	**2,910**	653	**11.75**	
C21-03	180.5	181.25	0.75	53	**6,390**	338	0.54	
C21-04	43	74.4	31.4	86	**1,720**	**1,313**	0.63	
incl.	60	74.4	14.4	115	**1,956**	**1,578**	0.83	
C21-04	145	147	2	257	**6,490**	**3,594**	2.60	
C21-04	154	164	10	103	**2,351**	370	0.34	
C21-05	5.5	9.45	3.95	936	356	**3,044**	7.56	0.17
C21-05	9.45	28	18.55	**9,500**	**11,300**	**2,501**	4.54	0.06
incl.	15.5	20.75	5.25	**11,600**	**16,600**	**2,440**	4.99	0.05
C21-06	4	8	4	**1,718**	422	**1,040**	2.14	0.28
C21-06	12	25	13	**8,357**	**38,000**	**15,176**	**17.79**	0.11
incl.	17	24.5	7.5	**3,525**	**59,000**	**24,092**	**21.71**	0.13
C21-06	25	32.6	7.6	**2,784**	991	229	1.58	0.02
C21-06	57.9	70	12.1	**3,968**	198	23	1.05	0.03
incl.	61	70	9	**4,522**	199	20	0.96	0.03
C21-06	107.4	110	2.6	**7,107**	201	39	2.05	0.07
C21-06	126.6	129.2	2.6	83	**2,037**	**1,294**	0.66	
C21-07	301.3	304.15	2.85	127	**3,133**	686	0.45	
C21-07	323	325.2	2.2	250	**4,527**	2,180	0.95	
C21-07	344.1	347.7	3.6	**2,940**	111	9	0.63	0.013
C21-07	356.75	364	7.25	**4,630**	158	17	0.94	
incl.	360	362.95	2.95	**5,290**	164	22	1.09	
C21-07	371	377.75	6.75	**3,385**	101	4	0.56	
C21-07	383.5	396	12.5	**3,799**	176	9	0.75	
incl.	385.1	387.75	2.65	**13,100**	267	7	2.61	
C21-07	415	422.3	7.3	**1,965**	116	5	0.34	
C21-07	426.3	428	1.7	832	**1,920**	80	0.28	0.006

See "*Chester Technical Report - Table 10.2 Assay highlights from the 2021 drill program*"

Sample Preparation, Analysis and Data Verification

At the drilling site, core samples were placed in wooden core boxes and securely tied before transportation to the core logging trailer located at the Miramichi Motel at every shift change or twice per day. Once the core was received, a Geominex technician verified the hole and box numbers marked on the core boxes and organised the boxes in order

on the logging tables. Once opened, the wood blocks at 3-meter intervals were verified to ensure they were correctly located in the boxes. The technician measured the core box intervals and recorded the information. A labeled aluminum tag was stapled on the left side of each core boxes with the project number, hole name, and box numbers. Subsequently all core boxes were photographed.

Preliminary logging included recovery and RQD measurements as well as detailed core logging including descriptions of lithology, sub-lithology, mineralogy, structure, vein, alteration and mineralization. All core logging data was entered into Geotic® Software. Sample preparation consisted of selecting core samples based on visual identification of the mineralization, (i.e. based on the presence of sulphides). A geologist selected and marked the sample interval with a core marker on the core and stapled a sample tag at the beginning of each sample. Subsequently, the core was moved to Bathurst, NB, by a Geominex employee. In Bathurst, NB, systematic magnetic susceptibility (mpp probe), and portable XRF analysis were conducted and the samples were collected.

Core samples were sawn in half along their long axis using a hydraulic core saw. One half of the core was retained and placed back into the core box in the original orientation and position with the accompanying sample tag stapled in the core box at the beginning of each sample interval. The other half was placed in a plastic sample bag together with the sample tag. The individual sample bags were sealed with an industrial adhesive tape and placed in a numbered rice bags which were sealed with cable-ties. The rice bags were shipped by Armour Courier Service (ACS) to ALS Geochemistry Laboratory in Moncton, NB, for sample preparation. No issues were reported by the lab with respect to sample shipments.

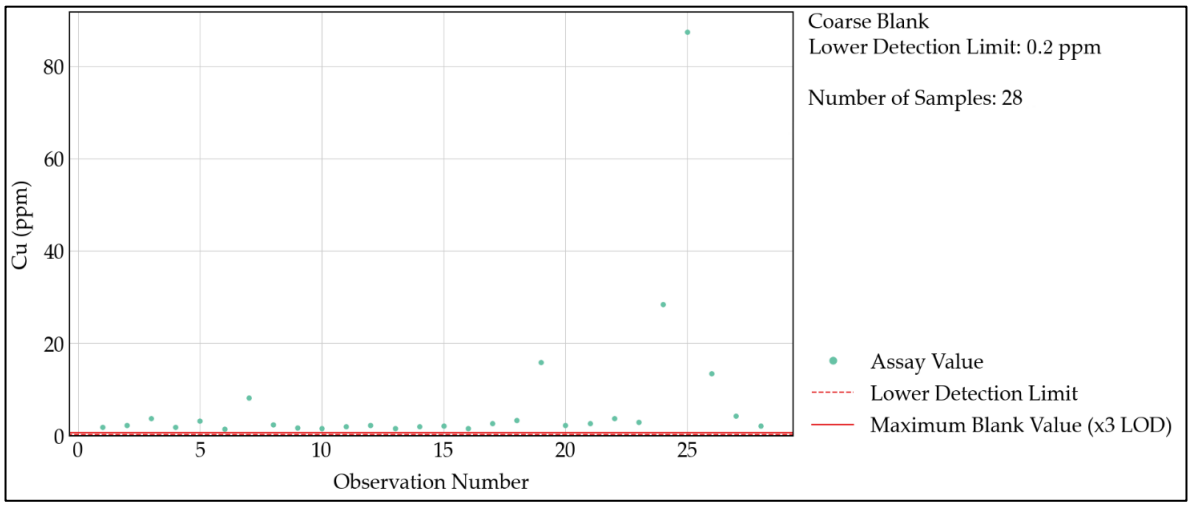
The 2021 core samples were prepared for analysis at the ALS 'sample prep' facility in Moncton, NB, where the samples were logged into the ALS computer-based tracking system, weighed and dried. The 2021 core samples were crushed to 70% passing -2mm, homogenized, and the sample was riffle split. A 1,000 g split sample was pulverised to better than 85% passing 75 microns (µm). An aliquot of the resulting pulp from each sample was then shipped for analysis to ALS' main (analytical) laboratory in North Vancouver, BC.

The 2021 core samples were submitted for multi-element (48 element) geochemical analysis (ALS laboratory code: ME-MS61) using ICP-MS analysis following a near-total, four acid, digestion of a 0.25 g sample aliquot. Multielement "overlimit" results were analysed by a follow-up, "ore grade" ICP technique (OG62) for copper, Ni, Zn and other elements as required. The "ore grade" analyses also involved a 4-acid digestion on a 0.4 g sample aliquot with a ICP finish. The samples were also analyzed for gold by a standard fire assay (ALS laboratory code: Au-AA24), which involved the fusion of a 50 g sample aliquot and analysis by Atomic Absorption spectroscopy.

Additionally, whole rock analyses were completed on a 0.7g sample (ALS laboratory code: ME-XRF26) using whole rock fusion followed by XRF (X-Ray Fluorescence) analysis. As well as Loss-on-Ignition (LOI) analyses on a 1 g sample (ALS laboratory code: OA-GRA05x). LOI samples were pre-dried at 105°C with LOI completed at 500°C.

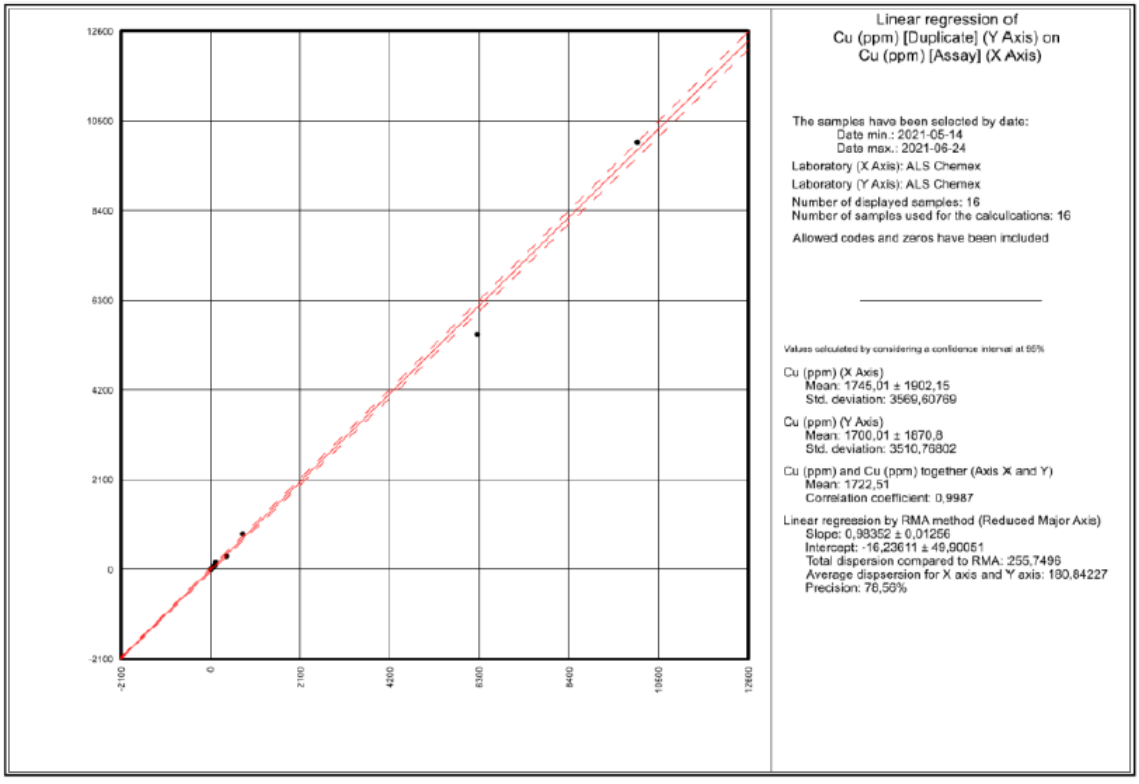
For the 2021 drilling program data verification included the insertion of blanks, standards and field duplicates into the sample stream at a rate of 10%. The Quality Assurance – Quality Control (QA/QC) results are described below.

A total of 28 blank samples were inserted into the sample stream to assess the laboratory's cleaning procedures. The standard material was a decorative white stone (DWS) bought in a local hardware store that consisted of white marble. Analyses of the material by ALS returned no significant zinc, copper, silver, or gold results. The majority of the samples (n=23) returned Cu assays below 5 ppm, well below ore grade Cu contents. Five samples returned assays between 8.2 and 87.4 ppm (Figure 11.1).



See "*Chester Technical Report - Figure 11.1 Copper assays for blank samples*"

A total of 16 duplicate core samples were collected to assess sample preparation bias. Figure 11.2 shows the copper assays for original samples vs. field duplicates. The comparison returned a slope of 0.98352 and a correlation coefficient of 0.9987 were obtained indicating the there was no bias in the sample preparation procedures.

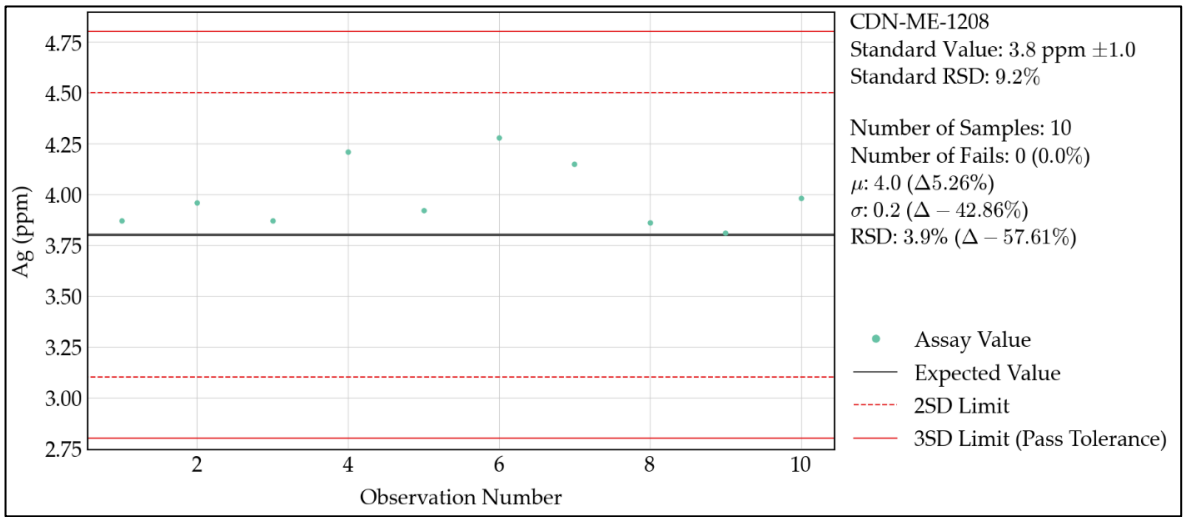


See "*Chester Technical Report - Figure 11.2 Copper assays of duplicate samples vs. original samples*"

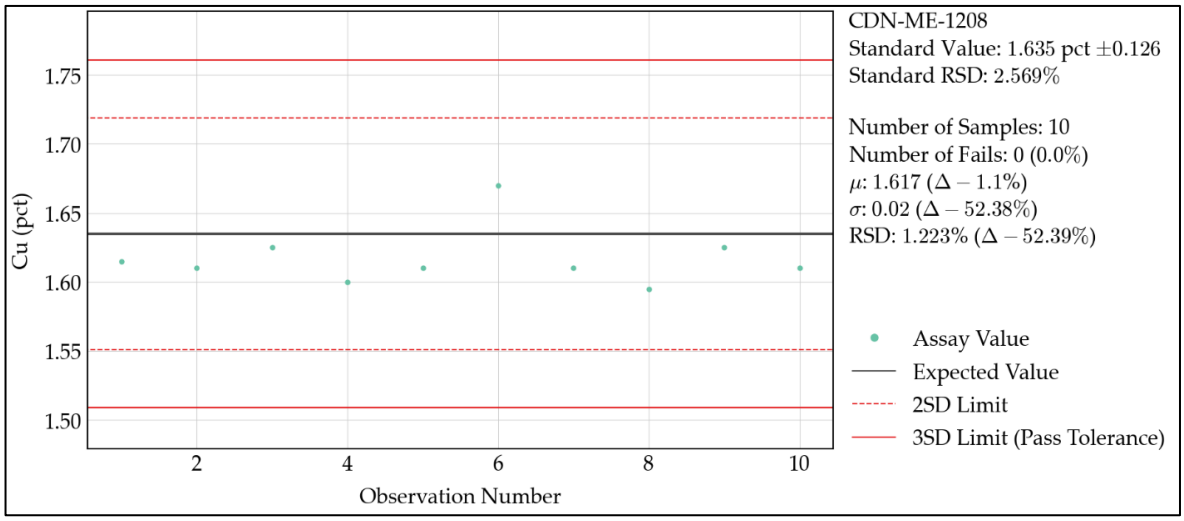
Three different standards materials were inserted into the sample stream during the 2021 program to assess different grades in Au, Ag, Cu, Pb and Zn. The standards used for the 2021 drill program included: CDN-ME-1208, CDN-ME-1410 and CDN-ME-1706. Each standard is discussed individually below.

Standard CDN-ME-1208 was used to assess the medium grade assays. The reported value and 3SD (3 standard

deviations) for this standard are: 0.246 ppm Au ± 0.072 ppm Au, 3.8 ppm Ag ±1.0 ppm Ag and 1.635% Cu ± 0.126% Cu. Figure 11.3 and 11.4 show assays for silver and copper for this reference material. All of the assay results for this standard during the 2021 drill program fell within 3 standard deviations from the certified value based on the standard deviation reported by the manufacturer. Silver assays returned values of 3.81 and 4.28 ppm Ag which is within the acceptable limits for this standard (Figure 11.3). Copper assays returned values of 1.595% Cu and 1.617% Cu which is within the acceptable limits for this standard (Figure 11.4).

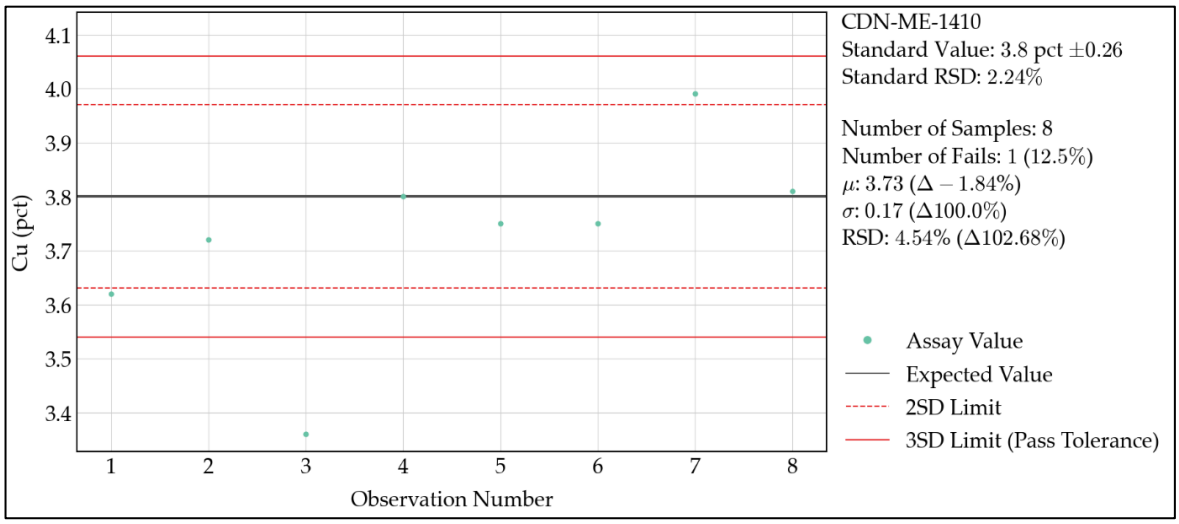


See "*Chester Technical Report - Figure 11.3 Standard CDN-ME-1208 Ag assays*"

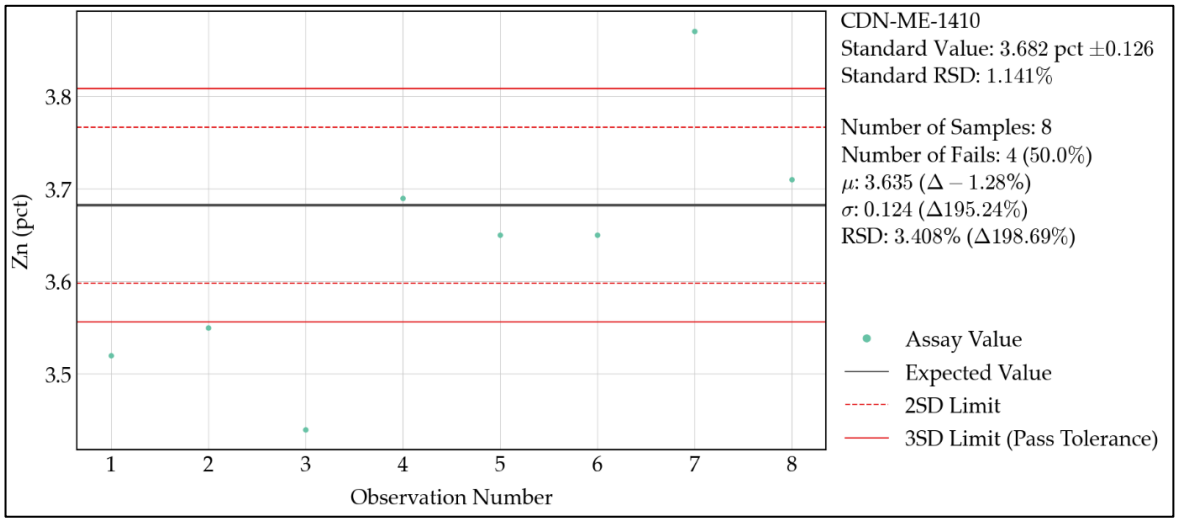


See "*Chester Technical Report - Figure 11.4 Standard CDN-ME-1208 Cu assays"*

Standard CDN-ME-1410 was used assess the high-grade copper, zinc and silver assays. The reported value and 3SD (3 standard deviations) for this standard are: 3.8% Cu ± 0.26% Cu, 3.682% Zn ± 0.126% Zn and 69.0 ppm Ag ± 5.7 ppm Ag. Figure 11.5 and 11.6 show assays for copper and zinc, respectively. The majority of assay results for this standard during the 2021 drill program fell within 3 standard deviations from the certified value based on the standard deviation reported by the manufacturer. Copper assays returned values between 3.36% Cu and 3.99% Cu with 7 out of the 8 samples falling within the recommended range of 3.54% Cu and 4.06% Cu. One sample returned an assay below the expected range (Figure 11.5). Zinc assays returned values between 3.44% Zn and 3.87% Zn with 4 of the 8 samples falling within the recommended range of 3.554% Zn and 3.806% Zn. Four samples returned assay outside of the expected range (Figure 11.6).

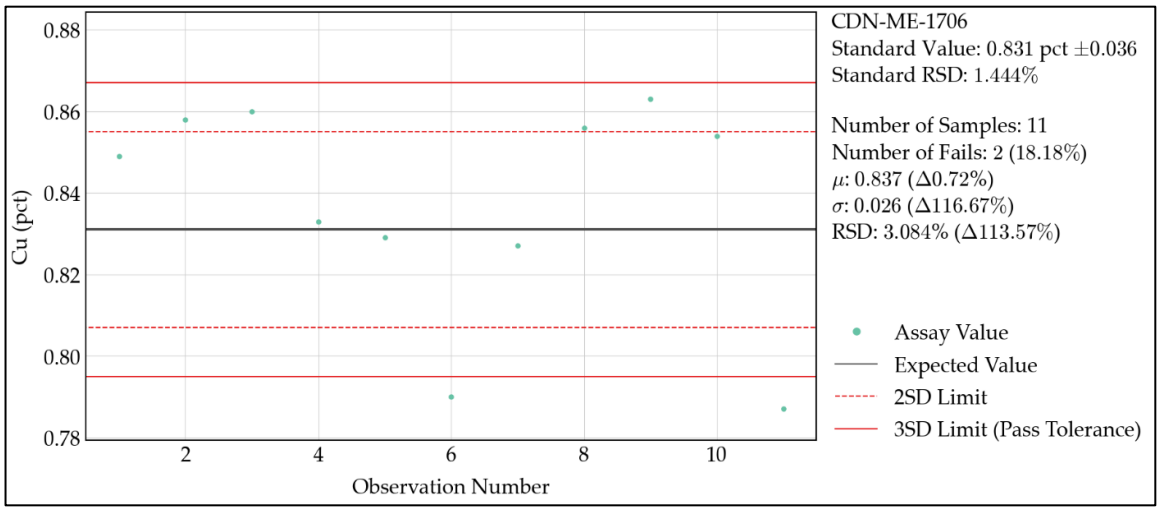


See "*Chester Technical Report - Figure 11.5 Standard CDN-ME-1410 Cu assays*"

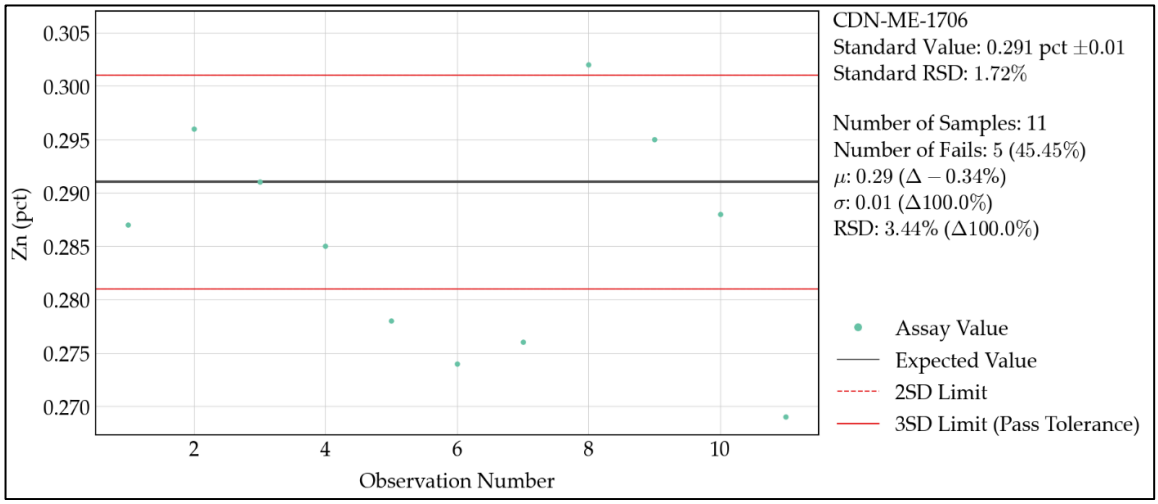


See "*Chester Technical Report - Figure 11.6 Standard CDN-ME-1410 Zn assays*"

Standard CDN-ME-1706 was used to assess the low-grade assay for copper, zinc and lead. This reported values for this standard are 0.831% Cu ± 0.036% Cu, 0.291% Zn ± 0.01% Zn and 630 ppm Pb ± 60 ppm Pb. The majority of assay results for this standard during the 2021 drill program fell within 3 standard deviations from the certified value based on the standard deviation reported by the manufacturer. Figures 11.7 and 11.8 show the assay results for copper and zinc. Copper assays returned values ranging between 0.787% and 0.856% Cu with 6 out of the 8 samples falling within the recommended range of 0.795% and 0.867% Cu. 3.54% Cu and 4.06% Cu. Two samples returned assays below the expected range (Figure 11.7). Zinc assays returned values ranging between 0.269% and 0.302% Zn with 6 out of the 11 samples falling within the recommended range of 0.795% and 0.301% Zn. Four samples returned assays below the accepted value and one sample returned an assay above the accepted value (Figure 11.8).



See "*Chester Technical Report - Figure 11.7 Standard CDN-ME-1706 Cu assays*"



See "*Chester Technical Report - Figure 11.8 Standard CDN-ME-1706 Zn assays*"

Although some failures were reported for the standards the failure rate is not considered excessive. For future infill and delineation drilling programs it is recommended that a comprehensive follow-up QA/QC program be employed. The QA/QC program should include the re-analysis of failures outside of the accepted ranges for standards that are within anomalous mineralized zones. The re-runs should include 10 samples above the failed standard, the standard, and 10 samples below the failed standard.

Stefan Kruse, Ph.D., P. Geo., a co-author of the Chester Technical Report, conducted a site inspection of the Chester Project for data verification purposes on June 5th to 6th, 2021. Verification samples were collected from float and selected 2021 core holes. Drillhole verification sample results were compared with database values for the commodities of interest.

Selected drill collar locations and orientations were verified and cross-checked against the exploration database. The general geology, mineralization style and alteration were observed and compared with published interpretations.

Core handling, sampling and QA/QC procedures were discussed with Mr. Forbes, the project geologist in charge of the 2021 drill program.

Verification of the drillhole database included a review of the various digital drillhole tables provided by Puma which were compared against scans of hard copy logs, surveys and collar files. This was possible for the FNR drill holes

completed between 2006 and 2007 drill holes. Drill logs for pre-FNR holes are not available. Original assay certificates were provided for a wider range of drilling, however, tables relating sample number to drill hole were scarce. A more thorough review is required to verify the assays and ascertain the validity and availability of data.

No pre-2021 drill holes were available at the time of the site visit for inspection.

The QPs reviewed the adequacy of the exploration information and the visual, physical, and geological characteristics of the property and found no significant issues or inconsistencies that would cause one to question the validity of the data.

The Authors are satisfied, and take responsibility, to include the exploration data including geochemical surveys and drill information as background information for this geological introduction and qualifying this, the Chester Technical Report.

In the future, the authors recommend that the sample collection, preparation, security, analytical procedures and QA/QC procedures of any Chester exploration program is current with CIM definition standards and guidelines and robust enough to develop confidence for any future mineral resource/reserve modelling and estimations.

Currently the project data are captured in a mix of data formats including MapInfo™ TAB files, Excel™ spreadsheets and CSV files. It is recommended, going forward, that the project database be upgraded to a relational database system with built-in data verification and QA/QC functionality.

Drill logs were provided for the majority of First Narrows Resources drillholes. Twenty out of 173 holes were spot checked for collar location accuracy. Minor discrepancies in the location were noted for 2 holes and 1 error in the dip. Some drill logs incorrectly state the coordinates are in Z20, whereas the Chester Project lies in NAD 83 Zone 19. The zone was correctly entered in the database and was left as such.

Spot checks of assay values for Cu%, Pb% and Zn% from original lab certificates against drill logs and drill tables were conducted for the FNR drillholes. A total of 167 assays were checked and only minor discrepancies were noted. The errors were partially due to rounding on the 2nd decimal place or entry in low assay samples (i.e. 0.01 entered instead of 0.001). A total of 5 rounding errors were identified, and 10 minor typographical errors were identified. Two sets of assays were entered incorrectly. Additional assay certificates are available for review however tables relating sample number to drill hole were scarce. A more thorough review of the assays data is recommended.

Stefan Kruse, Ph.D., P. Geo., a co-author, conducted a site inspection of the Chester Project for data verification purposes on June 5th to 6th, 2021. The site visit included a property tour facilitated by Étienne Forbes, a geologist with GeoMinEx Consulting Inc., and former project geologist on the Chester Project. Additionally, time was spent at the Puma core library in Bathurst, NB, observing the historical core stored at that facility, and collecting verification samples. Access to the site was via secondary highways and logging roads.

The objectives of the site visit included:

- Verification of selected drill hole collar locations.
- Observation and sampling of historical showings in outcrop.
- Examination of drill core and observation of mineralized intercepts.
- Collection of verification samples.

All verification samples were submitted for analysis to ALS Limited's (ALS) facility in Moncton, NB. ALS is an International Standard ISO/IEC 17025:2005 certified laboratory and is independent of the Company and the authors of this Chester Technical Report. Samples were analysed using ALS's ME-MS61 48 element, four-acid ICP-MS package. Cu and Zn overlimit samples were processed using the OG662 four-acid ICP package.

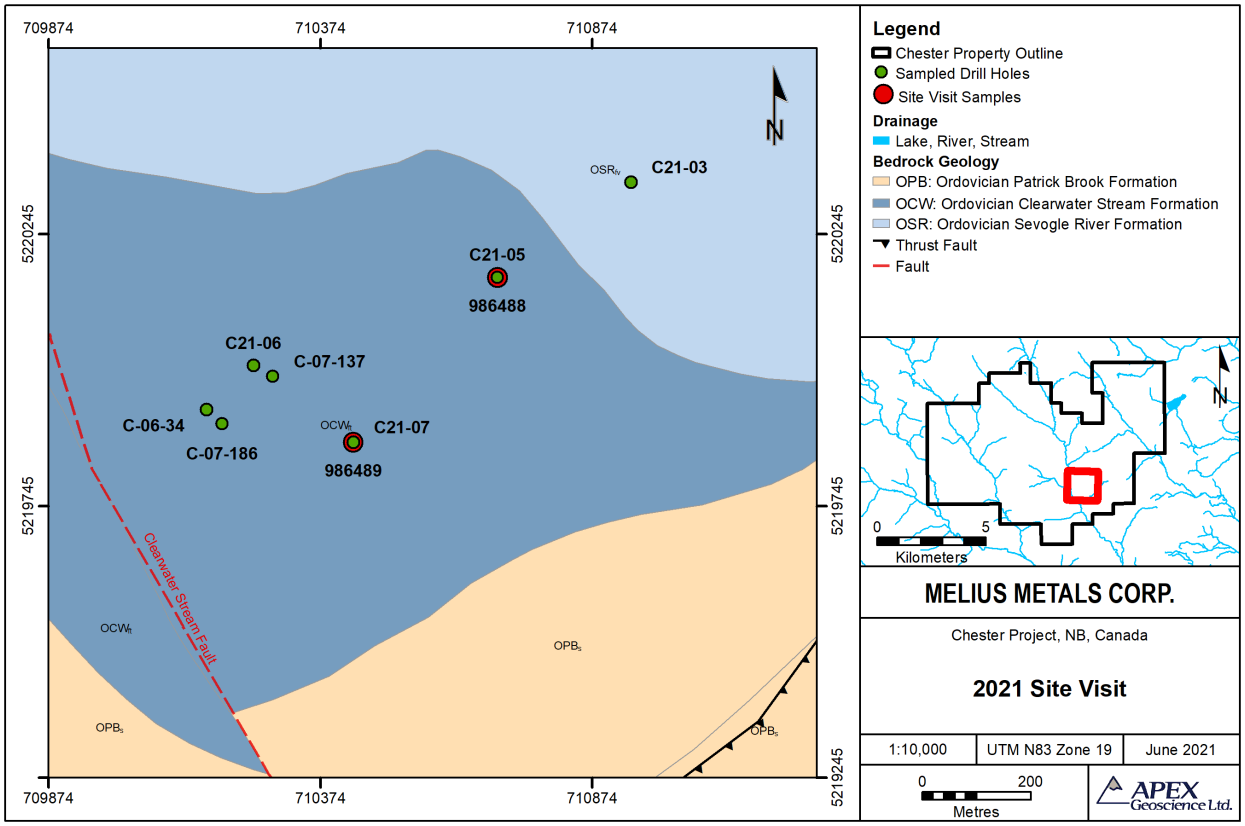
The property site visit included stops at the West Stringer Zone, Central Zone and East Zone. The historical portal and

remnants of development infrastructure were also observed (Figure 12.1). Numerous historical drill collars are present, marked with cemented drill rods. Areas of disturbed ground due to trenching, drilling or road building are characterized by significant amounts of massive or disseminated sulphide bearing rock and gossanous material. Pyrite, pyrrhotite, chalcopyrite and sphalerite were observed in sub-crop and float.

Grab samples collected from massive sulphide horizons contained anomalous Ag, Cu, Pb and Zn consistent with the style and tenor of mineralization previously described on the property (Figure 12.2). Verification grab sample results are shown in Table 12.1.

Sample	Easting N83Z20	Northing N83Z20	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Comments
986488	710700	5220165	1.03	1110	358	333	Gossanous float from an area of reclaimed trenches
986489	710435	5219862	58.6	123000	218	5870	Massive sulphide in waste rock pile near main portal

See "*Chester Technical Report - Table 12.1 Verification grab sample results from the Chester Property*"



See "*Chester Technical Report - Figure 12.2 2021 Site visit locations and verified collar locations"*

Verification samples were collected from 2021 core stored at the core storage and logging facility in Bathurst, NB. Core from mineralized intervals from holes C21-05 and C21-07 contained massive to semi-massive pyrite, chalcopyrite, sphalerite and galena hosted in intermediate volcaniclastic or metasedimentary rock, consistent with logged descriptions of the core. No core from pre-2021 holes was available for inspection.

In general, there is reasonable agreement between the original assay results and verification sample results (Table 12.2), despite difference in sample size (half-core vs. quarter core). Additionally, the location of original assay tags and run blocks was likely disturbed for some of the sampled intervals.

In the opinion of the Qualified Person, visual inspection and verification sampling confirm the presence and style of historically reported mineralization.

Drill Hole	From	To	Sample (orig)	Sample (ver)	Cu_ppm (orig)	Cu_ppm (ver)	Zn_ppm (orig)	Zn_ppm (ver)	Pb_ppm (orig)	Pb_ppm (ver)
C21-07	386	386.75	C098867	986490	35500	36700	553	583	14	13.9
C21-07	325	325.2	C098810	986491	580	754	7870	9130	4530	6010
C21-07	398	398.55	C098882	986492	627	2310	121	145	<0.5	12.5
C21-05	7	8	C098444	986493	907	1040	333	357	692	755
C21-05	14.5	15.5	C098449	986494	10350	9990	468	444	175	182.5
C21-05	23	24.9	C098613	986495	3690	4260	1850	1330	278	157

See "*Chester Technical Report - Table 12.2 Drill hole verification samples*"

Drill collars encountered during the site visit were located using a hand-held GPS and casing dip and azimuth measured using a standard geological compass. Some minor discrepancies were noted (i.e. hole C-07-186; see Table 12.3). Historical drill collars are marked with cemented drill rods (Figure 12.3), most of which are in good condition. 2021 drill holes are marked with temporary wooden stakes and in some cases labeled with planned drill hole numbers rather than with the permanent drill hole ID. A full database validation and selected re-surveying of collar locations is recommended.

	Site Visit Observations				Database Values			
HOLE ID	EAST NAD83Z20	NORTH NADZ20	Azimuth	Dip	EAST NAD83Z20	NORTH NADZ20	Azimuth	Dip
C-07-186	710194	5219896	310	-45	Not in DB			
C-06-34	710165	5219922	N/A	N/A	710168	5219920	0.00	-90
C21-06	710251	5220003	N/A	N/A	710250	5220005	360	-90
C-07-137	710287	5219983	N/A	N/A	710287.5	5219987.5	0.00	-90
C21-05	710700	5220165	360	-90	710700	5220165	360	-90
C21-03	710945	5220340	360	-60	710945	5220340	360	-60

See "*Chester Technical Report - Table 12.3 Drill hole collar verification locations*"

Mineral Processing and Metallurgical Testing

No Current Mineral Processing or Metallurgical Testing has been completed on the Chester Project.

Mineral Resource and Mineral Reserve Estimates

No Current Mineral Resources have been completed on the Chester Project.

Conclusions

Based upon Dr. Kruse's site visit and the historical exploration work discussed in the Chester Technical Report, it is the opinion of the authors of Chester Technical Report that the Chester Project is a "Property of Merit" warranting future exploration work.

Recommendations

The authors of the Chester Technical Report recommend a staged exploration program for the Chester Project. Warranted exploration for Phase 1 work includes drillhole database validation, along with delineation, confirmation drilling, geological studies, sampling and metallurgical test work. Stage 2 work should include the construction of an NI 43-101 MRE for the entire Chester Deposit, ground geophysical surveys to follow-up on unexplained historical anomalies and follow-up exploration and expansion drilling. The estimated cost for the Phase 1 exploration is CDN$500,000 based upon 2,000 m of core drilling and includes costs for certain geological studies and sampling along with metallurgical test work. Phase 2 is dependent upon the results of the Phase 1 work and is estimated to cost $1,000,000.

Activity Type			**Cost**
Phase 1			
Activity Type	**Total (m)**	**Estimated Cost per metre**	
Data Compilation/Verification			$5,000
Diamond Drilling	2,000	$200	$400,000
Geological and Metallurgical Studies			$85,000
		Contingency	$10,000
		Phase 1 Total Activities Subtotal	$500,000
Phase 2			
Diamond Drilling	3,500	$250	$875,000
Geophysical Surveys			$40,000
Mineral Resource Estimation			$35,000
		Contingency	$50,000
		Phase 2 Activities Subtotal	$1,000,000
		Grand Total	$1,500,000

See "*Chester Technical Report - Table 18.1. Proposed budget for the recommended exploration.*"

THE TURGEON PROJECT

The scientific and technical information in this section relating to the Turgeon Project is derived from, and in some instances is a direct extract from, and is based on the assumptions, qualifications and procedures set out in, the Technical Report for the Turgeon Property, Northeast New Brunswick, Canada (the "**Turgeon Technical Report**"). The Qualified Persons, as defined in NI 43-101, who were responsible for the preparation of the Turgeon Technical Report and who reviewed and approved the scientific and technical information derived from the Turgeon Technical Report in this prospectus are Michael B. Dufresne, M.Sc., P. Geol., Geo., Stefan Kruse, Ph.D., P. Geo., and Fallon T. Clarke, B.Sc., P. Geo. having an effective date of August 1, 2021. The Authors are "independent" and "Qualified Persons" for the purposes of NI 43-101.

Such assumptions, qualifications and procedures are not fully described in this Prospectus and the following summary does not purport to be a complete summary of the Turgeon Technical Report. Reference should be made to the full text of the Turgeon Technical Report, which is available for review under the Company's profile on SEDAR at www.sedar.com.

Property Description and Location

The Turgeon Project is in northeast New Brunswick and lies over the boundary of Gloucester County with Restigouche County. The Turgeon Project is located approximately 30 km northwest of the City of Bathurst, NB, and 3 km southwest of the Village of Belledune, NB. The Turgeon Project covers a total area of 714.9 ha and is defined by tenure blocks Turgeon Property (1813) and Turgeon Sud Property (5594). The two tenure blocks are not contiguous, Turgeon Sud Property (5594) is situated 2 km to the southeast of Turgeon Property (1813). Turgeon Property (1813) encompasses 31 contiguous mineral claims that collectively encompass 671.5 ha and Turgeon Sud Property (5594) encompasses 2 contiguous mineral claims that collectively encompass 43.4 ha (Figures 4.1 and 4.2; Table 4.1). The mineral claims of Turgeon Property (1813) were issued on August 31, 1984, and are set to expire on August 31, 2022. The mineral claims of Turgeon Sud Property (5594) were issued on May 22, 2009, and are set to expire on May 22, 2022. The mineral claims are designated as active and in good standing.

Location and Access

The Turgeon Project is in northeast New Brunswick and lies over the boundary of Gloucester County with Restigouche County (Figure 5.1). The Turgeon Project is located approximately 30 km northwest of the City of Bathurst, NB, and 3 km southwest of the Village of Belledune, NB. The Turgeon Project can be accessed from Belledune, NB, by travelling northwest on Main Street/New Brunswick Route 134 for 5 km to Turgeon Road. Travel south on Turgeon Road for approximately 1.5 km to reach the eastern property boundary. To access the northern portion of the property, travel south on Turgeon Road for approximately 700 m and turn westward on Belledune Road. Belledune Road transects the northern portion of the property and leads to Roy's Quarry, an aggregate quarry owned by Roy's Trucking and Landscaping Ltd. The Turgeon Project Powerline Zone lies in proximity to Roy's Quarry and can be accessed using the quarry entrance; however, alternate access to the Powerline Zone is available via historical drill access roads within the property.

Alternately, New Brunswick Route 11 transects the southern portion of the property and can be reached by travelling south on Turgeon Road for 2.5 km then following the New Brunswick Route 11 north ramp. Historical drill access roads stem from the power transmission line and provide suitable access to the Turgeon Project showings.

The Canadian National (CN) Railway passes through the northern portion of the Turgeon Project and serves the Port of Belludune which is located approximately 3 km northeast of the property. The Port of Belledune is an artificial, year-round, deep-sea harbour strategically located near the mouth of the St. Lawrence River on the south shore of the Bay of Chaleur, about 40 km north of Bathurst, NB. The Port of Belledune has three terminals that serve a vast industrial park linked to Canada's road and rail networks, and as such, has good growth potential. The Port serves a wide variety of regional manufacturing and resource-extraction industries. In 2015, the Port of Belledune handled over 1.7 million tonnes of a variety of bulk and breakbulk cargo ranging from metallurgical coke to wood pellets and aggregate.

Bathurst is the nearest major centre in the region and can be accessed by plane, train, sea and road. The Bathurst Regional Airport is about 10 minutes by vehicle west of Bathurst on Highway 180 and has current air service with Air Canada. The Bathurst Regional Airport is managed by the Northern New Brunswick Airport Authority. The regional airport accommodates approximately 50,000 passengers a year. Future developments for the Airport include an expansion of the existing terminal building and a runway extension to 1,798 m, which will allow for unrestricted use of the Dash-8 aircraft; additionally, it will accommodate larger aircraft such as the Q-400.

Bathurst is also served by Via Rail's Montreal-Halifax train, the Ocean. The Bathurst Station is a Via Rail staffed station located at Kilometre 842 (from the Montreal Central Station). The Ocean is the oldest continuously operated named passenger train in North America. The rail line is important to growing local industries that rely on efficient and reliable freight to move products interstate and to ports and depots.

Title, Royalties and Encumbrances

Title

The registered owner of the Mineral Claims comprising the Turgeon Project is Puma. Puma has granted Melius the

sole and exclusive right and option to acquire 100% of Puma's respective rights and interest in the Turgeon Project subject to the Puma Option Agreement. Turgeon Property (1813) encompasses 31 contiguous mineral claims that collectively encompass 671.5 ha and Turgeon Sud Property (5594) encompasses 2 contiguous mineral claims that collectively encompass 43.4 ha.

Tenure Block Number ID	UTM N83 Z20 Easting Unit Centroid	UTM N83 Z20 Northing Unit Centroid	Claim type / sub-type	Status	Area (hectares)	Issue date	Expiry date	Owner
1813	284724	5306517	Mineral / Claim	Active	671.5	31-Aug-84	31-Aug-22	Puma Exploration
5594	285832	5302905	Mineral / Claim	Active	43.4	22-May-09	22-May-22	Puma Exploration

See "*Turgeon Technical Report - Table 4.1. Mineral tenure block and individual claim descriptions and status for the Turgeon Property"*

Royalties and Encumbrances

15 mineral claims on Turgeon Property (1813) are subject to the Baldwin Agreement dated October 22, 2007 between Puma and Andrew Baldwyn providing for a 2% NSR royalty payable to Andrew Baldwin on gold and silver and 1% NSR on any other saleable production, half of which (1% NSR) may be bought back by Puma for $500,000.

Environmental and Permitting Liabilities

At the completion of the Puma Option Agreement and acquisition of the Turgeon Project, the Company will be required to obtain the following permits and licenses to conduct mineral exploration in New Brunswick. Until the Puma Option Agreement is satisfied, all permits and licenses will be obtained under Puma that include, but are not limited to:

- A prospecting license is required to prospect or register mineral claims.
- Prior to commencing work that would cause actual damage to or interference with the use and enjoyment of Crown lands; the following procedures must be followed:
    - Submit to the Recorder the completed Notice of Planned Work on Crown Land-Form 18.1, listing the proposed work and enclosing a map showing the area of work and the claims.
    - The Recorder will review the submitted form and give permission on behalf of the Department of Natural Resources for the work to proceed.
    - In some cases, the Recorder will advise the person planning the work that a reclamation plan and security are required before the work commences.
    - Obtain the consent of the lessee if work is done on a Crown land lease.

The Qualified Persons who prepared the Turgeon Technical Report are not aware of any environmental liabilities, or any other known significant factors or risks related to the Turgeon Project that may affect access, title or the right or ability to perform work on the Turgeon Project.

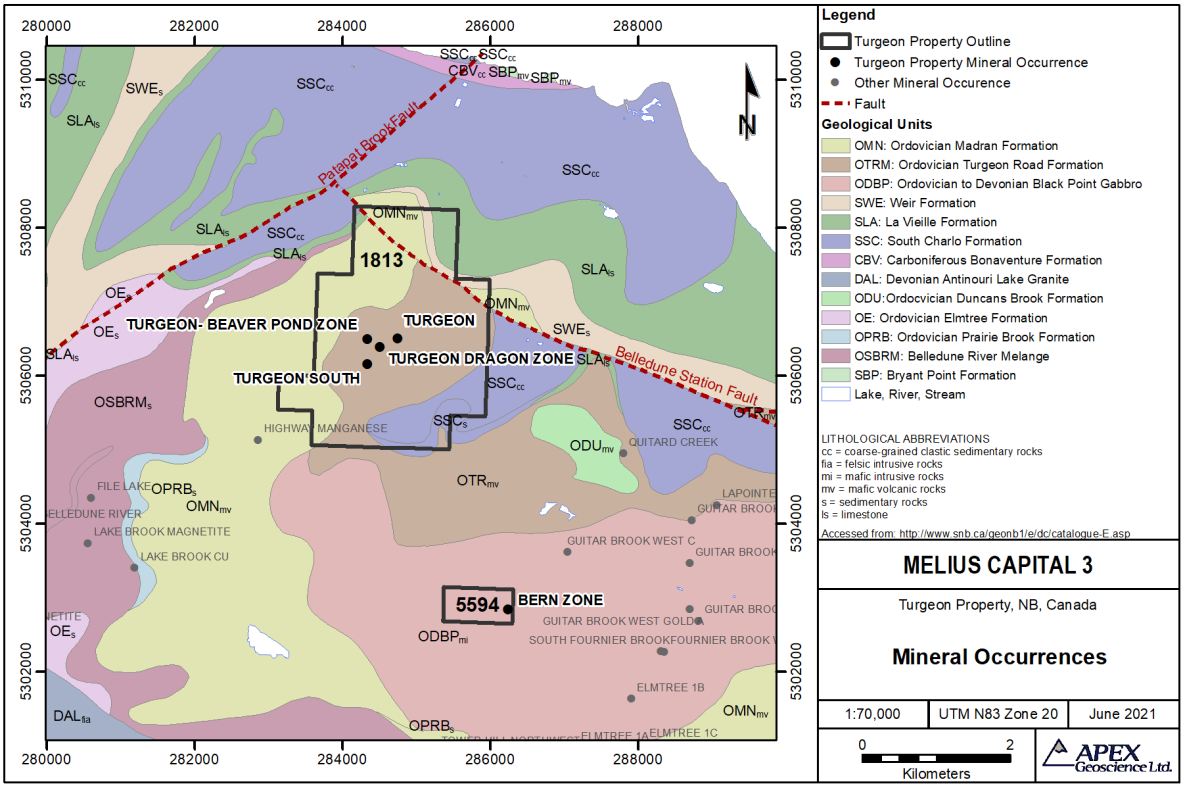
History

Numerous exploration programs have been conducted in the property area since the discovery of copper mineralization at the Beaver Pond showing in 1957. Historical exploration on the Turgeon Project was completed by Geological Survey of Canada (1950), M.J. Boylen Engineering (1958), Noranda Mines Ltd. (1958), New Brunswick Dept. of Mines (1959), Noranda Mines Ltd. (1959), Rio Tinto (1960), Industrial Minerals Exploration Co. (1964-1967), Heron Mines Ltd. (1971-1977), Esso Minerals Canada (1978-1982), Heron Mines Ltd. (1988-1989), Phelps Dodge Corp. (1991-1992), Phelps Dodge Corp. and Heron Mines Ltd. (1992-1993), Heron Mines Ltd. (2000-2001) and Puma Exploration Inc. (2008-2018). The historical work conducted on the property included geological mapping and prospecting, geophysical surveys, soil geochemical surveys, trenching and drilling.

Several mineral deposits/occurrences are situated within the Turgeon Project and include, from north to south, Turgeon, Turgeon Dragon Zone, Turgeon Beaver Pond Zone, Turgeon South and Bern Zone (Figure 6.1).

Report of work number	Claim holder	Property name	Year submitted	NTS Map Sheet	Latitude, Longitude	Trench	Trench length (m)	Drillhole	Total drilling (m)	Geochem. samples	Geophysics ground survey (km)	Geophysics air survey (km)
472277	Willett, Claude A.	Turgeon	1967	21P/13W	47-52-38.464N, 65-52-25.747W	0	0	2	381	0	0	0
472037	Heron Mines Ltd.	Turgeon Station	1971	21P/13W	47-52-35.082N, 65-51-59.126W	0	0	4	262	0	0	0
472486	Esso Minerals Canada	Heron Prospect	1979	21P/13W	47-51-14.578N, 65-53-33.129W	0	0	0	0	8412	0	0
472632	Esso Minerals Canada	Heron Prospect	1980	21P/13W	47-51-24.497N, 65-54-50.899W	0	0	13	2348	700	69	0
472749	Esso Minerals Canada	Heron Prospect	1981	21P/13W	47-50-07.901N, 65-54-52.473W	0	0	0	0	0	0	430
472795	Esso Minerals Canada	Heron Option	1982	21P/13W	47-52-47.089N, 65-51-28.950W	0	0	0	0	0	3	0
472816	Esso Minerals Canada	Belledune Area	1982	21P/13W	47-53-11.397N, 65-53-09.396W	0	0	0	0	0	0	0
472860	Esso Minerals Canada	Heron Prospect	1982	21P/13W	47-50-20.479N, 65-57-08.380W	0	0	0	0	0	0	0
473744	Heron Mines Ltd.	Hodgin	1989	21P/13W	47-52-20.494N, 65-53-51.231W	0	0	9	844	0	0	0
474160	Heron Mines Ltd.	Turgeon Deposit	1992	21P/13W	47-52-25.685N, 65-53-40.873W	0	0	0	0	0	0	0
474236	Heron Mines Ltd.	Turgeon Deposit	1992	21P/13W	47-52-09.906N, 65-53-57.319W	0	0	0	0	0	21	0
474248	Heron Mines Ltd.	Turgeon Deposit	1992	21P/13W	47-52-38.153N, 65-53-22.875W	0	0	8	1656	0	0	0
474249	Phelps Dodge Corp. (Canada) Ltd.	Turgeon/Belledune	1992	21P/13W	47-50-51.409N, 65-52-40.537W	0	0	0	0	0	328	0
474309	Heron Mines Ltd.	Turgeon Deposit	1993	21P/13W	47-52-30.686N, 65-53-13.000W	0	0	0	0	0	0	0
474355	Heron Mines Ltd.	Turgeon Deposit	1993	21P/13W	47-52-34.710N, 65-53-20.846W	0	0	13	3529	0	0	0
475309	Heron Mines Ltd.	Turgeon Deposit	2000	21P/13W	47-52-22.370N, 65-53-26.138W	0	0	5	1515	0	0	0
476626	Exploration Puma	Turgeon	2008	21P/13W	47.52N, -65.50W	1	70	0	0	41	0	0
476746	Exploration Puma	Turgeon	2009	21P/13W	Not provided	0	0	4	369	252	0	0
477467	Exploration Puma	Turgeon	2013	21P/13W	47-52-45N, 65-52-30W	0	0	0	0	32	0	0
477651	Exploration Puma	Turgeon	2014	21P/13W	47-52-45N, 65-52-53W	0	0	15	2017	0	0	0
477839	Exploration Puma	Turgeon	2015	21P/13W	47-52-45N, 65-52-53W	19	847	6	1378	0	0	0
477972	Exploration Puma	Turgeon	2016	21P/13W	47-52-45N, 65-52-53W	6	280	4	1620	243	18	0
478064	Exploration Puma	Turgeon	2016	21P/13W	47-52-45N, 65-52-30W	0	0	5	2569	0	0	0
476932	Exploration Puma	Turgeon Sud	2010	21P/13W	47-51-36N, 65-52-36W	0	0	0	0	0	0	0
477231	Exploration Puma	Turgeon Sud	2011	21P/13W	47-51-00N, 66-53-38W	0	0	0	0	0	0	100
477454	Exploration Puma	Turgeon Sud	2013	21P/13W	47-50-45N, 65-53-15W	0	0	0	0	171	0	0
477646	Exploration Puma	Turgeon Sud	2014	21P/13W	47-50-45N, -65-51-23W	2	200	0	0	0	0	0
477800	Exploration Puma	Turgeon Sud	2015	21P/13W	47-50-45N, 65-51-45W	7	1640	0	0	0	0	0
					Totals	35	3,037	88	18,488	9,851	439	530

See "*Turgeon Technical Report - Table 6.1. Historical summary of submitted mineral assessment exploration work for the Turgeon Property area (NTS 21P/13W)*"



See "*Turgeon Technical Report - Figure 6.1. Turgeon Property mineral deposits and occurrences, as recorded in the New Brunswick Mineral Occurrence Database*"

Surface Exploration

Several phases of surface exploration, including geological mapping, prospecting and geochemical sampling programs have been completed at the Turgeon Project (Table 6.1). The bulk of recent surface exploration was conducted by Puma from 2007 to 2018. The analytical results of rock sampling programs conducted from 2007 to 2018 at the Turgeon Project are shown in Figures 6.2 to 6.5.

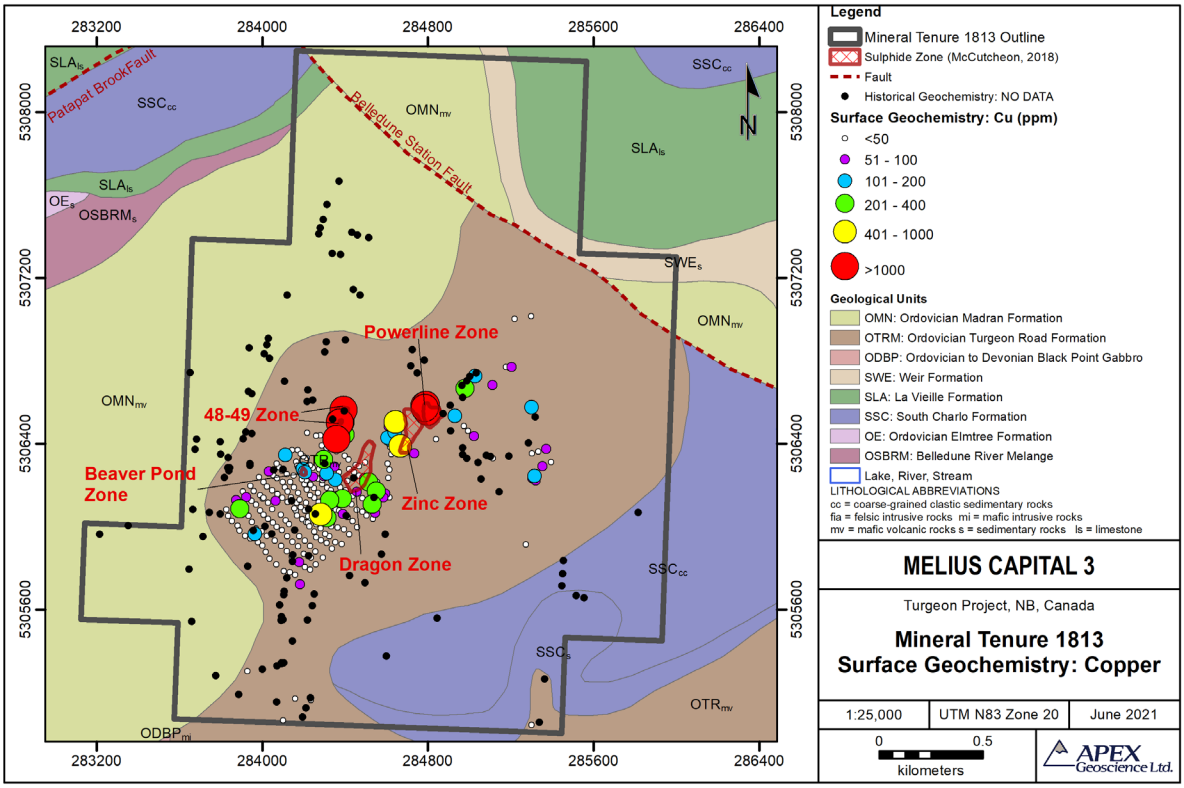
Puma completed numerous prospecting and geochemical sampling programs in Turgeon Property (1813) of the Turgeon Project from 2007 to 2018. In 2007, a preliminary sampling program by Puma confirmed the presence of zinc and copper rich mineralization in outcropping lenses at the Power Line and Beaver Pond showings. A total of 16 rock grab samples were collected from the mineralized zones. Sample highlights include 6 samples ranging from 1 to 6.8% Cu and 0.01 to 8.79% Zn (Robillard and Lalonde, 2008).

In 2011, Puma commissioned DIAGNOS Inc., to complete a Computer Aided Resources Detection System (CARDS) evaluation over the Turgeon and Turgeon South Property in order to generate new exploration targets at the property. The evaluation was completed using computerized processing of the Turgeon and Turgeon South Property Comprehensive Database (Bernier and Gagné, 2012b). Three prediction models and three validation models were generated from the evaluation (Mai, 2011).

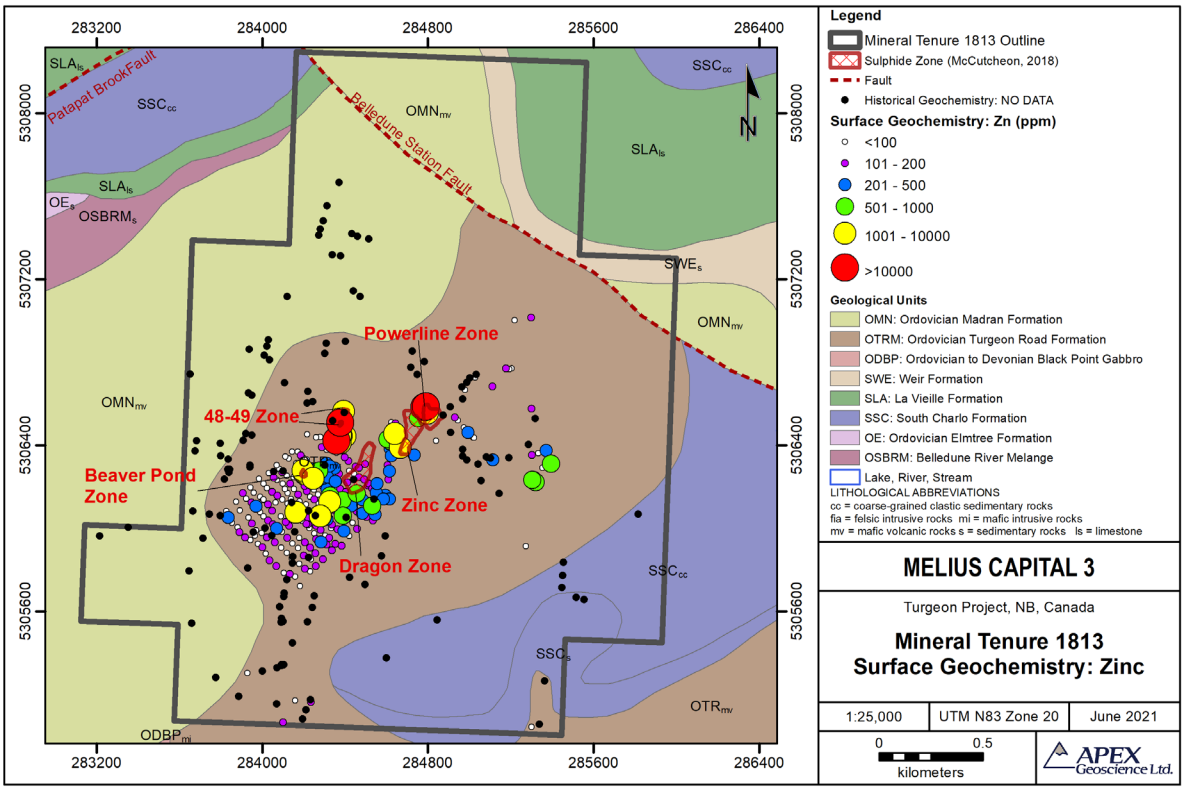
In 2012, Puma collected 32 samples from several geological formations on Turgeon Property (1813) in order to define economic indices of base and precious metals in the field. The 2012 sampling program was unsuccessful in defining apparent mineralized zones within the Turgeon Property (Bernier and Gagné, 2012a).

In 2014, Puma conducted a prospecting and mapping program with aim to update the geological mapping of the Property. A total of 6 rock grab samples were collected from the Turgeon deposit area and were sent to ALS Chemex in Sudbury, Ontario, for gold analysis by fire assay and multi-element Inductively Coupled Plasma (ICP) analysis. No significant mineralization was returned (Bernier and Richer, 2015).

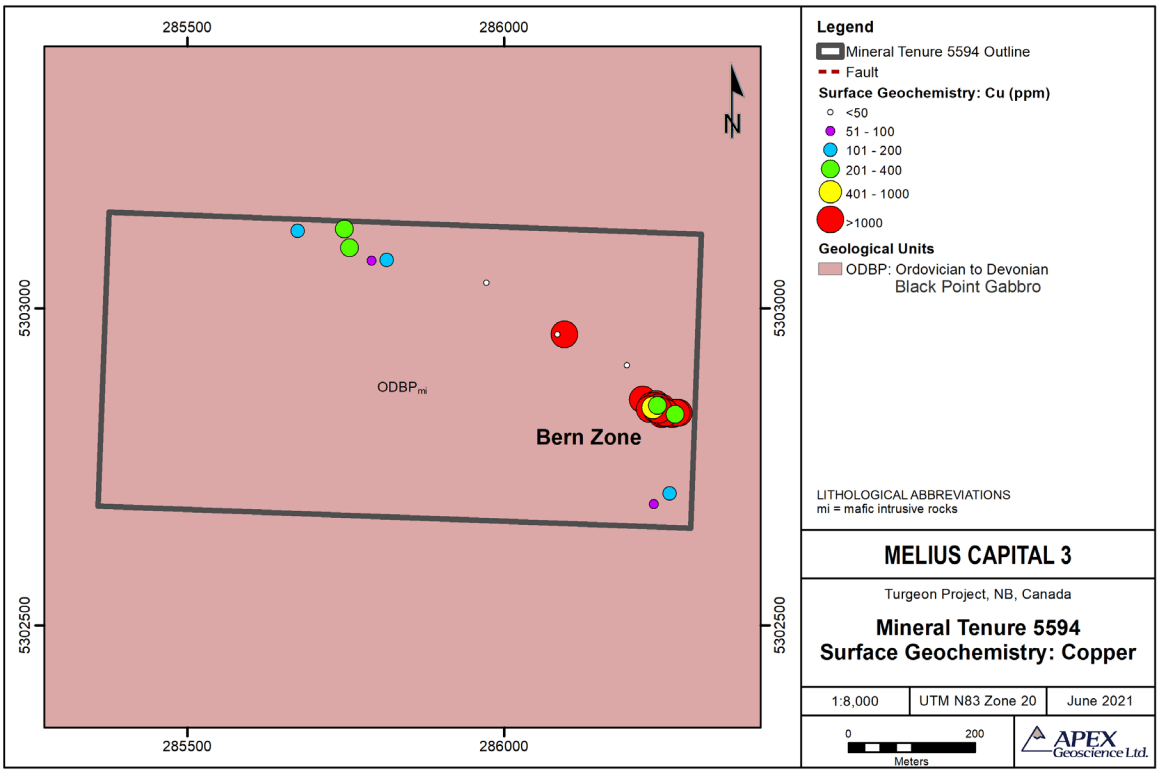
In 2015, a geochemical sampling program was completed by Puma. The objective of the sampling was to define copper and zinc anomalies on the surface and to map alteration corridors. A total of 243 rock grab samples were collected from outcrops using a sampling grid of 12 lines spaced 500 m apart over the Power Line and Zinc Zone deposits. Samples were collected at approximately 25 m sampling spacings. The samples were sent to ALS in Sudbury, Ontario, for multielement analysis using Inductively Coupled Plasma (ICP), as well as x-ray fluorescence (XRF) whole rock analysis. The sampling program successfully mapped the surface alteration pattern to west of the Turgeon Project mineralization. Analytical highlights included two grab samples returning copper values of 21.1 and 26.2% Cu (Bernier and Gagné, 2016).



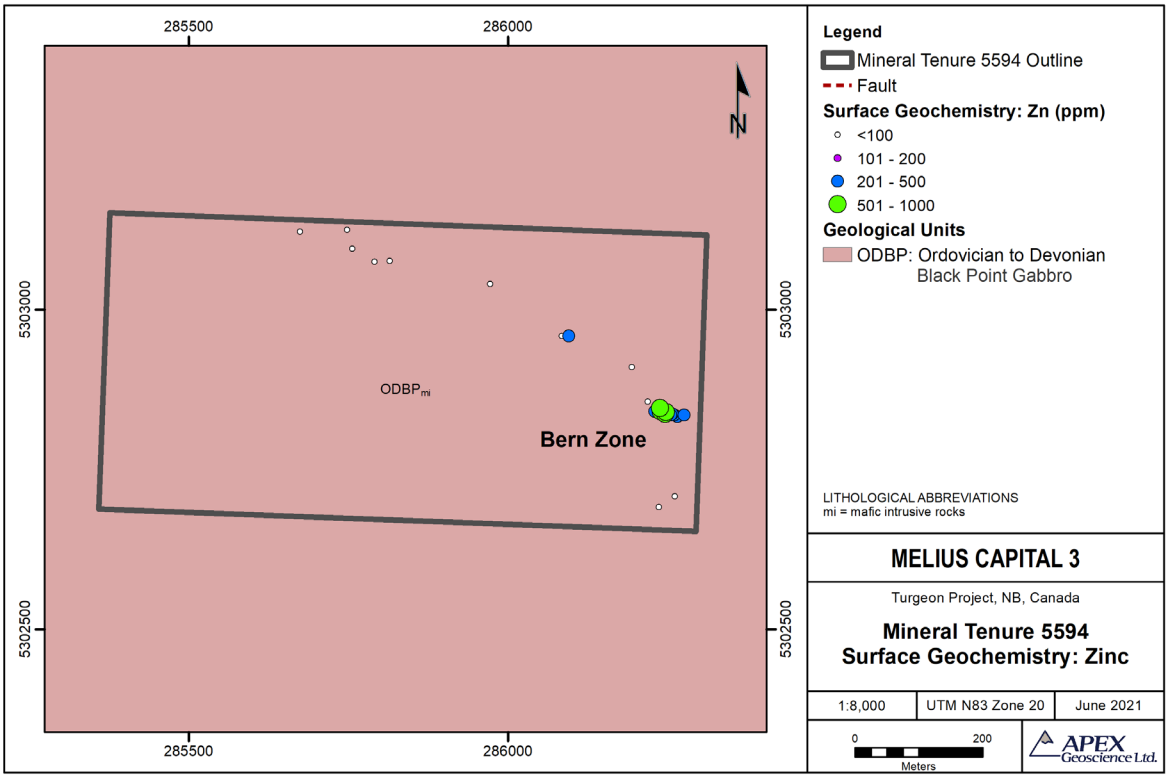
See "*Turgeon Technical Report - Figure 6.2. A summary of copper assays from geochemical rock sampling programs conducted in Tenure Block 1813*"



See "*Turgeon Technical Report - Figure 6.3. A summary of zinc assays from geochemical rock sampling programs conducted in Tenure Block 1813*"



See "*Turgeon Technical Report - Figure 6.4. A summary of copper assays from geochemical rock sampling programs conducted in Tenure Block 5594*"



See "*Turgeon Technical Report - Figure 6.5. A summary of zinc assays from geochemical rock sampling programs conducted in Tenure Block 5594*"

In 2018, Puma commissioned Steve McCutcheon, of McCutcheon Geo Consulting, to conduct a regional mapping and prospecting program over Turgeon Property (1813). The program was focused on the lesser explored southwest portion of the Property. The geological mapping identified a silicified cap zone and resulted in the division of the Turgeon Road Formation into three episodes of volcanism.

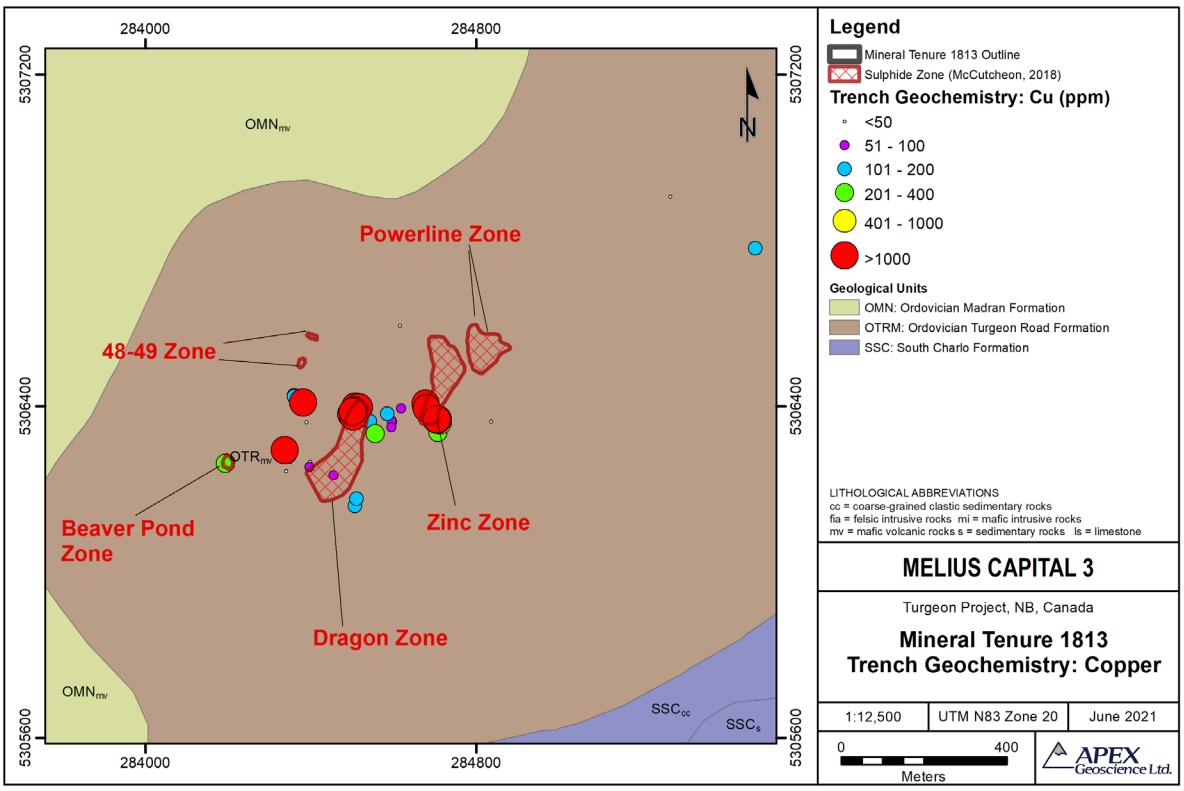
In 2012, Puma completed a prospecting and sampling program over Turgeon Sud Property (5594). The objective of the sampling program was to define economic indices of base and precious metals in the field. The samples were sent to ALS Chemex in Val d'Or, Quebec (QC), for gold and multielement analysis by fire assay and ICP methods. The program assisted in the definition of mineralized zones within the Property (Bernier and Gagné, 2012b).

A follow up prospecting program was completed by Puma over Turgeon Sud Property (5594) in 2014. The objective of this program was to verify targets identified in DIAGNOS Inc.'s CARDS evaluation of the Turgeon Property. The samples were sent to ALS Chemex in Sudbury, ON, for gold and multielement analysis. Five grab samples that were collected from the eastern extension of the Bern vein returned copper values ranging from 0.17% to 0.79% Cu. Results of two grab samples taken from the Bern vein included 4 g/t Ag and 13.4% Cu, and 0.16 g/t Au, 10.1 g/t Ag and 9.74% Cu (Bernier and Richer, 2014b).

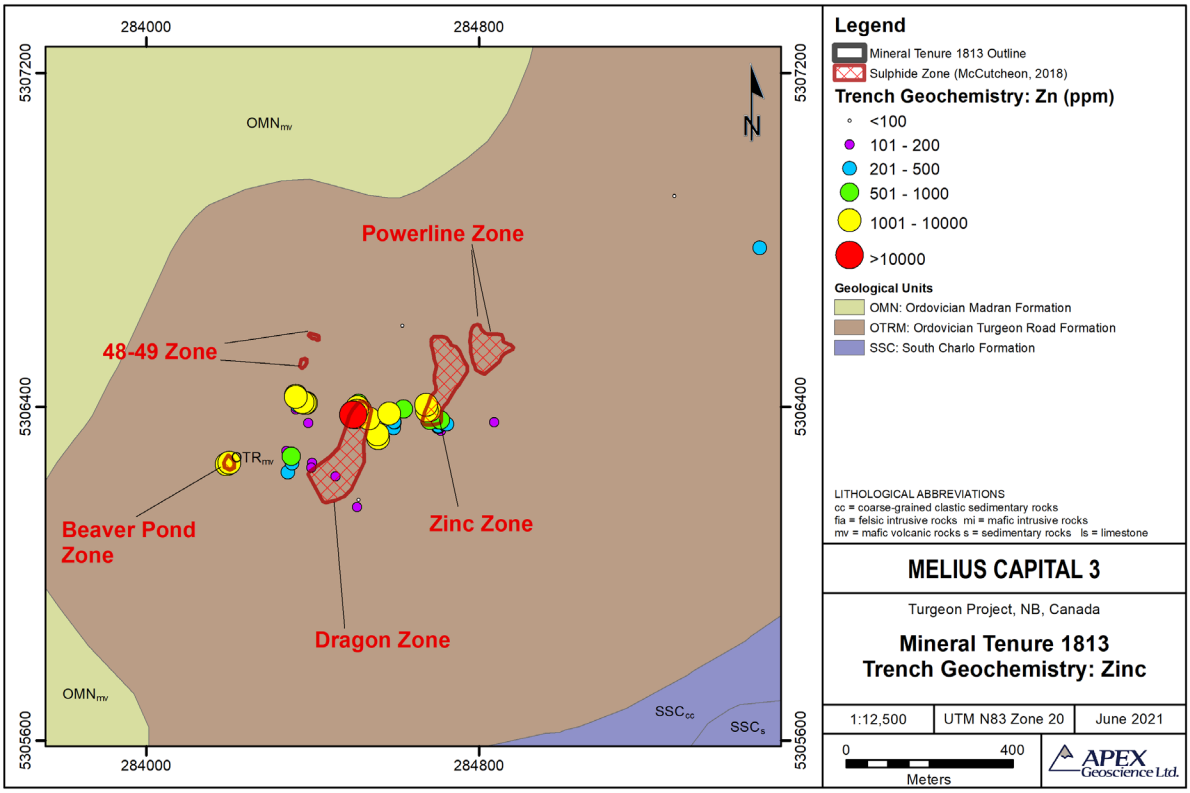
Trenching Work

Six historical trenching programs were completed within the Turgeon Project by Puma Exploration from 2008 to 2018, these include 41 trenches, totalling 2,715 linear meters of excavation, on Turgeon Property (1813) and 9 trenches, totalling 1,840 linear metes of excavation, on Turgeon Sud Property (5594). The analytical results of select trench programs are shown in Figures 6.6 to 6.9.

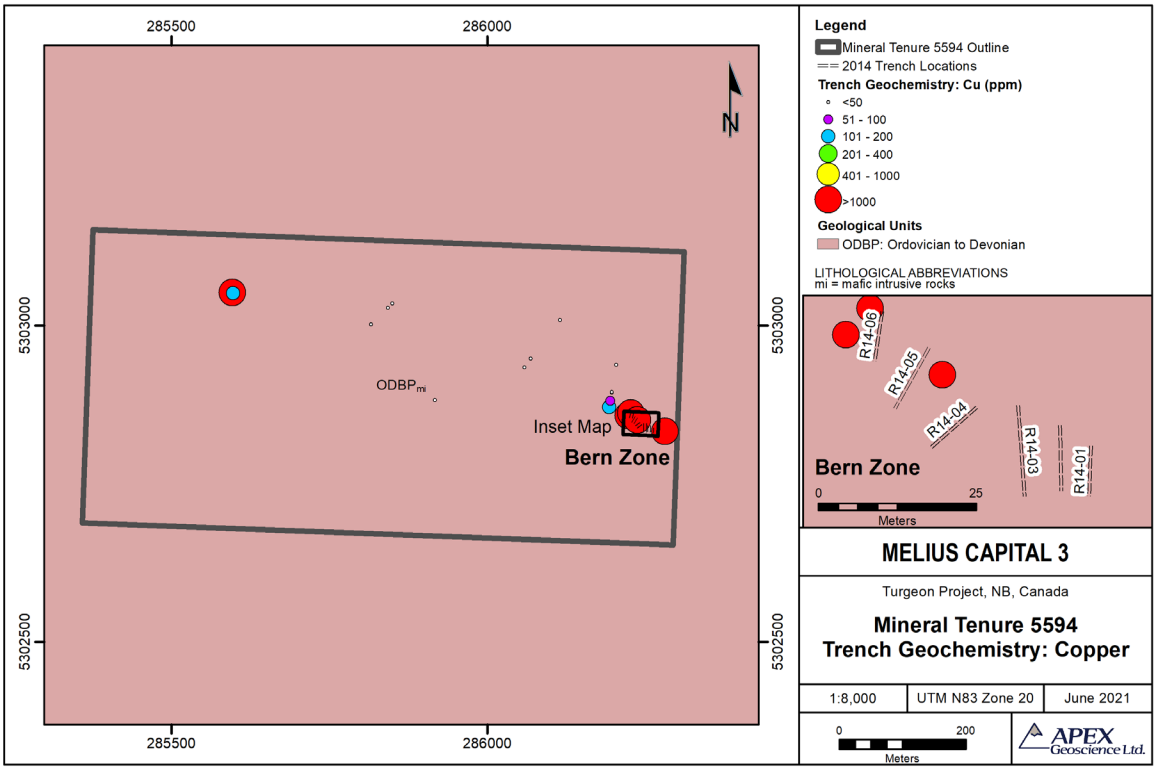
In 2008, Puma completed their initial trenching program in the Turgeon deposit area. A total of 25 grab and channel samples were collected and sent to ALS Chemex in Val d'Or, QC, for gold and multielement analysis by fire assay and ICP - atomic emission spectroscopy (AES) methods. Highlights of the sampling program included 2.7% Cu over 0.5 m from channel sample 910573 and 1.57% Cu and 3.4% Zn over 0.3 m from channel sample 910574 at the Power Line Zone and 3.7% Cu from grab sample 910559 at the Beaver Pond Zone (Robillard and Lalonde, 2008).



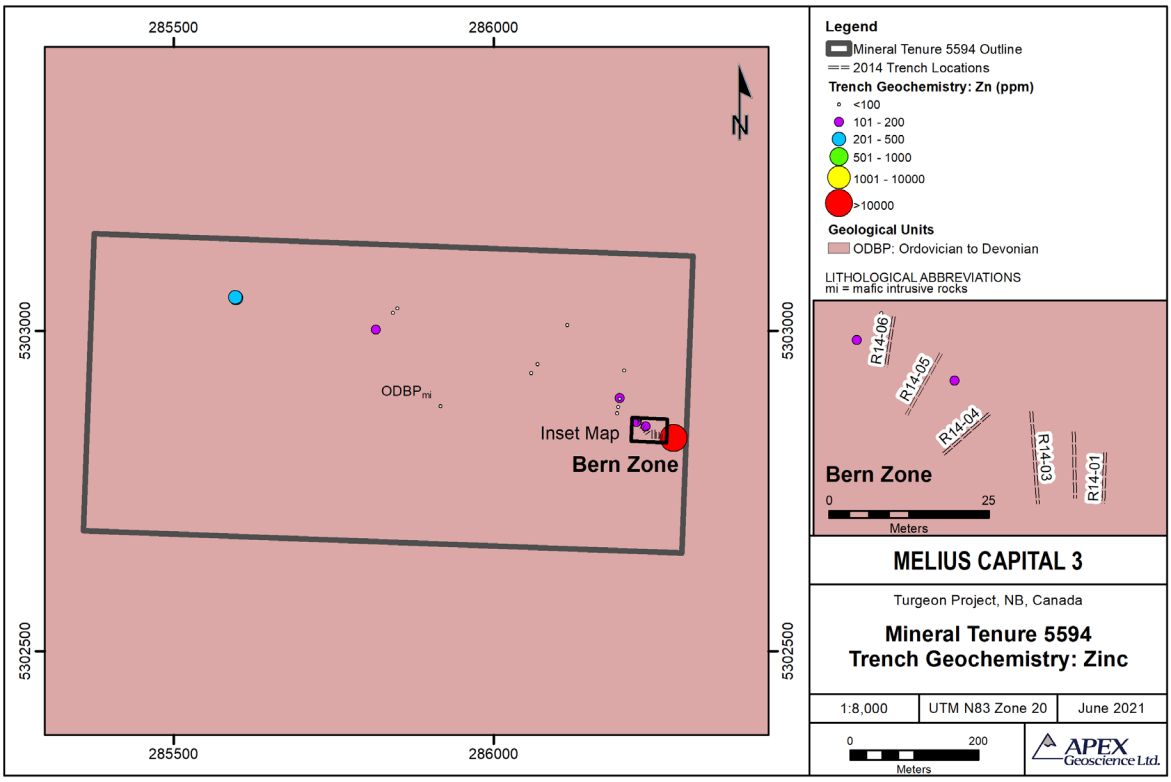
See "*Turgeon Technical Report - Figure 6.6. Copper geochemical results for trenchwork conducted in Tenure Block 1813*"



See "*Turgeon Technical Report - Figure 6.7. Zinc geochemical results for trenchwork conducted in Tenure Block 1813*"



See "*Turgeon Technical Report - Figure 6.8. Copper geochemical results for trenchwork conducted in Tenure Block 5594*"



See "*Turgeon Technical Report - Figure 6.9. Zinc geochemical results for trenchwork conducted in Tenure Block 1813*"

In late 2014, Puma excavated 19 trenches, totalling 847 linear meters, at the Turgeon Project. The trenches targeted a potential surface extension of a mineralized lens discovered in the 2013 drilling campaign. A total of 49 rock grab samples were collected and sent to ALS Chemex in Sudbury, ON, for gold and multielement analysis by fire assay and ICP methods. The trenches were dug by Beresford Excavation using a Komatsu mechanical excavator, type PC 220 LC (Bernier and Richer, 2015). Analytical highlights from select trench samples are shown Table 6.2.

Trench Number	Lithology	Sample Number	Ag (g/t)	Cu (%)	Zn (%)
TT14-04	Altered Basalt	P160857	0.3	0.01	0.28
TT14-04	Basalt Amygdaloidal	P160858	1.1	0.01	0.34
TT14-05	Basalt	P160863	4.0	0.04	0.18
TT14-06	Brecciated Basalt	P160866	3.8	0.12	0.34
TT14-06	Basalt	P160868	0.4	0.01	0.13
TT14-08	Basalt/Sheeted dyke	P160870	0.6	0.03	0.16
TT14-11	Brecciated Basalt	P160873	0.2	0.01	0.24
TT14-11	Brecciated Basalt	P160874	0.4	0.2	0.07
TT14-11	Basalt	P160875	3.1	3.04	0.08
TT14-11	Basalt	P160876	2.3	2.05	0.04
TT14-11	Basalt	P160877	0.3	0.01	0.21
TT14-05	MS/SMS	P160884	6.1	0.97	0.16
TT14-05	MS	P160885	29.5	0.07	0.1
TT14-05	MS	P160886	21.4	0.07	0.08
TT14-05	MS/SMS	P160887	5.3	0.71	0.33
TT14-05	MS	P160888	1.8	0.16	0.18
TT14-05	MS	P160889	4.6	0.11	0.06
TT14-05	MS	P160890	8.4	0.87	1.63
TT14-05	MS	P160891	1.1	0.06	0.23
TT14-05	Brecciated Basalt	P160892	9.2	0.35	0.10
TT14-16	Basalt	P160899	<0.2	0.01	0.11

See "*Turgeon Technical Report - Table 6.2. Highlights from trench work completed in the Turgeon deposit area in 2014 (modified from Bernier and Richer, 2015)"*

In 2015, Puma excavated 6 trenches and 4 small stripped areas, totalling 280 linear meters. The objective of the trench work was to test anomalies identified during previous geochemical surveys. Thirty rock samples were collected and sent to ALS in Sudbury, ON, for gold an multielement analysis by fire assay and ICP methods. Highlights from trench and grab samples gathered by Puma in 2015 include: 0.82% and 0.40% Zn in a silicified brecciated basalt in proximity to a gabbro dyke in rock grab samples P160676 and P160677 from Trench 1; 0.97%, 0.89% and 0.28% Zn in flow top breccia rock grab samples P160687, P160686 and P160687 from Trench 2, respectively; and 0.1 up to 3.72% Cu in 6 grab samples from Trench 3 (Bernier and Gagné, 2016).

In late 2018, Puma excavated 15 trenches, totalling 1,518 linear meters. The trench work tested magnetic, electromagnetic and chargeability geophysical anomalies and was aimed at favorable stratigraphic horizons. Roy's Trucking and Excavation dug the trenches. A total of 152 samples were shipped to ALS in Vancouver, BC, for multielement analysis using four acid digestion with inductively coupled plasma mass spectrometry (ICP-MS) finish and gold analysis via fire assay. The trench work successfully identified lithological contacts, sulphide mineralization, fault structures and delineated the extent of a known silica cap. The 2018 trench results discovered an extension of the Beaver Pond mineralization with 3 rock grab samples grading from 2.8 up to 12% Cu in trenches T18-09 and T18-10 (Hupé and Forbes, 2018).

Puma completed two trenching programs within Turgeon Sud Property (5594) of the Turgeon South area (Figure 6.8 and 6.9). The first program was completed in spring 2014 and comprised 2 trenches totalling 200 linear meters. The objective of the trenching program was to verify the extent of the Bern Zone. A total area of 567 m^2 was excavated by Beresford Excavation using a Komatsu mechanical excavator. Seventeen rock grab samples were collected in the program and sent to ALS Chemex in Val D'Or, QC, for gold and multielement analysis using fire assay and ICP methods. Eleven of the grab samples returned values ranging from 1.1 up to 6.46% Cu. Highlights included 9.18 g/t Ag, 5.78% Cu and 2.08% Zn from sample M045918 and 4.38 g/t Ag and 6.46% Cu from sample M045918 (Bernier and Richer, 2014a).

A follow up trenching program comprising 7 trenches, totalling 1,640 linear meters, was completed in Turgeon Sud Property (5594) of the Turgeon South area between August and September 2014. The objective of this trenching program was to verify targets identified in DIAGNOS Inc's CARDS evaluation of the Turgeon Project and to verify the extent of the surface mineralization at the Bern Zone. Twenty-eight (28) rock grab samples were collected during the trenching program from trenches TTS14-01 to TTS14-07 and an additional 65 channel samples were collected from 'grooves' R14-01 to R14-06 stripped from the Bern Zone. The geochemical results of the rock grab and channel samples and the locations of the 6 'grooves' are shown above in Figures 6.8 and 6.9. The samples were sent to ALS Chemex in Sudbury, ON, for gold and multielement analysis using fire assay and ICP methods. The follow up trenching program extended the mineralization at the Bern Zone 125 m to the east (Bernier and Richer, 2014b). Channel sample highlights from the 6 'grooves' excavated at the Bern Zone of the Turgeon South area are presented in Table 6.3.

Trench Number	From (m)	To (m)	Length (m)	Cu (%)	Ag (g/t)
R14-01	3	6	3	1.2	1.1
Including	4	5	1	1.8	2.0
R14-02	1.7	8.7	7	1.1	1.8
Including	1.7	2.7	1	2.1	5.2
R14-03	1.9	6.9	5	1	1.4
R14-04	2	10	8	1.1	2.3
Including	3	7	4	1.6	2.5
Including	3	5	2	2.4	4.1
R14-05	1	9	8	1.5	2.4
Including	3	9	6	2	3.2
Including	3	5	2	3	5
R14-06	2	6	4	0.8	1.8
Including	4	6	2	1.1	2.9

See "*Turgeon Technical Report - Table 6.3. Channel sample highlights from trench work completed at the Bern Zone, Turgeon South (from Puma Exploration, 2021*)"

Geophysical Surveys

Numerous historical airborne and ground geophysical surveys have been conducted at the Turgeon Project from 1950 to 2018 (e.g., Table 6.1). Limited details are available regarding the earliest geophysical surveys conducted over the property area. A summary of the geophysical surveys conducted at the Turgeon Project is as follows:

- In 1950, an aeromagnetic survey was completed by the Geological Survey of Canada (Burton, 1992; Gashinski and Regan (1982) as cited in Porter, 1989).

- Two electromagnetic surveys were completed by M.J. Boylen Engineering and Noranda Mines Ltd. in 1958 and 1959, respectively (Burton, 1992; Gashinski and Regan (1982) as cited in Porter, 1989).

- An induced polarization (IP) geophysical survey was completed by Industrial Minerals Company in 1967 (Burton, 1992; Paterson, 1974).

- In 1974, Heron Mines Ltd. completed very low frequency electromagnetic (VLF EM) and gravity geophysical surveys in 1974 (Paterson, 1974).

- From 1978 to 1981, Esso Minerals Canada (Esso) completed mise-a-la-masse borehole and surface surveying, Horizontal Loop Electromagnetics (HLEM), magnetics, gravity and IP surveys (Broome, 1982; Gashinkski, 1982; Wilson, 1978).

- In 1991, Phelps Dodge Corp. completed ground magnetic and VLF EM surveys, as well as mise-a-la-masse IP and resistivity surveys on surface lines and 6 drillholes. In 1992, Phelps Dodge Corp. completed downhole transient electromagnetics (TEM) on surface lines and 14 drillholes, as well as a heliborne DIGHEM^{v} EM/resistivity/magnetic/VLF survey (Burton, 1992; McConnell, 1992).

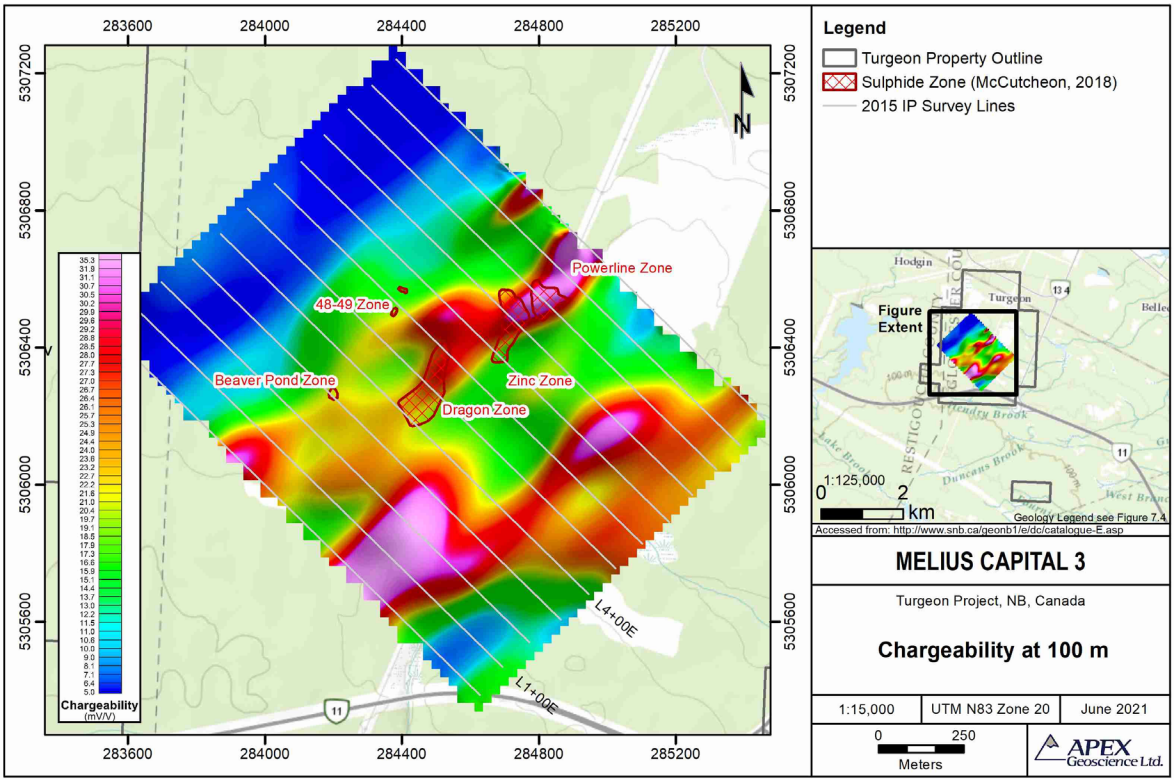
- In 2010, Abitibi Geophysics, on behalf of Puma, conducted a surface and borehole TDEM geophysical survey that covered a total of 4.1-line km and 3 drillholes (T10-01, F09-01 and F00-1). Seven anomalies were highlighted in the ground survey and the borehole survey identified new conductors and better ore lens delineation of anomalies within the Property (Lalande, 2010). The residual magnetic intensity (RMI) for the survey area is shown in Figure 6.10.

- In late 2014 and early 2015, Geosig Inc., on behalf of Puma, conducted a Pulse-EM electromagnetic survey and an IP survey on 6 drillholes. The survey identified two strong electromagnetic anomalies and several areas with increased chargeability. The IP survey identified several zones of increased chargeability, with many associated with conductive zones (Tshimbalanga, 2015).

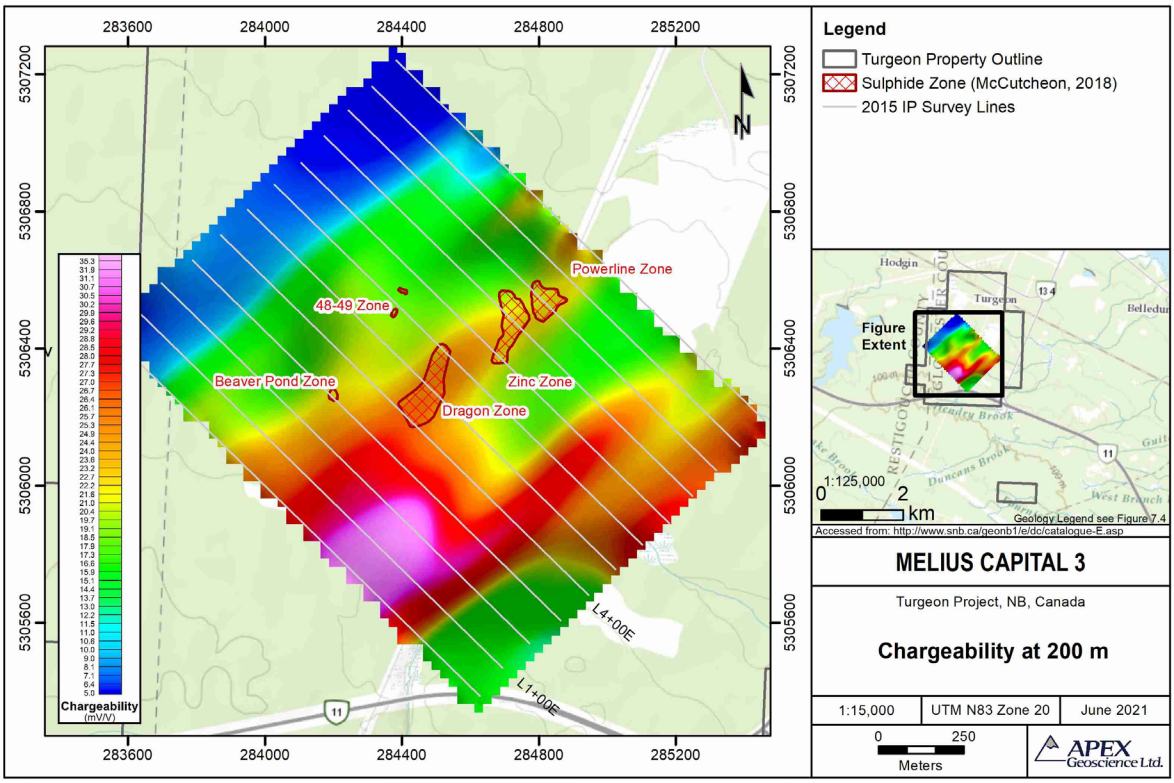
- In 2015, an IP geophysical survey was conducted by Abitibi Geophysics on behalf of Puma. The survey was completed along northeast-southwest oriented lines spaced 100 m apart and covered a total of 18 km. The survey utilized the Orevision method and identified three anomalies within the property (Bernier and Gagné, 2016). Plan views of the IP survey showing chargeability at depths of 100 and 200 m are presented in Figures 6.10 and 6.11, respectively. Cross sections of survey lines 1+00E and 4+00E illustrating the resistivity and chargeability of priority anomalies TU-02 and TU-03 are presented in Figures 6.12 and 6.13.

- Eastern Geophysics Ltd. on behalf of Puma completed a borehole electromagnetic (BHEM) survey on four drillholes in 2018. The aim of the survey was to produce targets for extensions to the Dragon and Zinc mineralized zones (Hupé and Forbes, 2018).

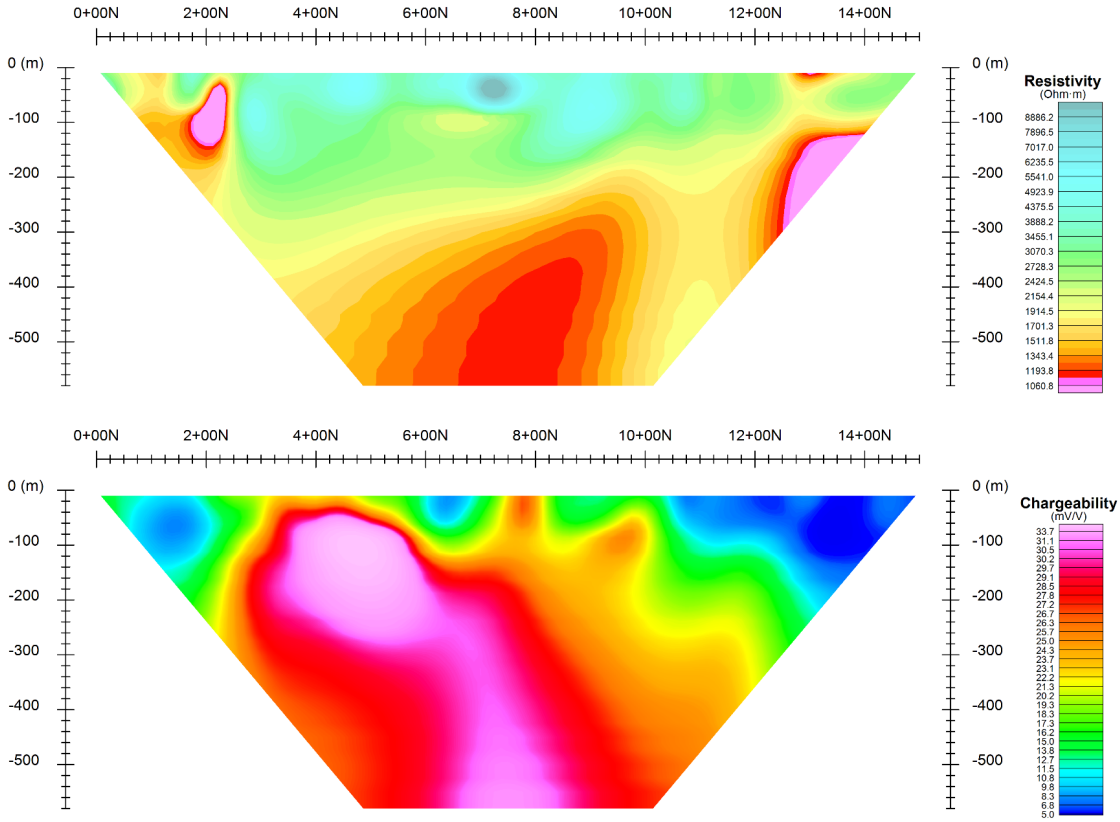
In addition, Natural Resources Canada has completed regional geophysical surveys that are part of the national thematic Open File map series and Geoscience Data Repository (http://gdr.agg.nrcan.gc.ca/gdrdap/dap/search-eng.php). One regional GSC airborne geophysical examples is presented in this sub-section (Figure 6.14). The anomalies identified in the Residual Magnetic Intensity (RMI) first vertical derivative airborne survey by Dalhousie-Heath Steele correlate with the anomalies highlighted by Puma's 2010 TDEM geophysical ground survey and provides insight into the geological and tectonic features of the Property (Figures 6.14 and 6.15).



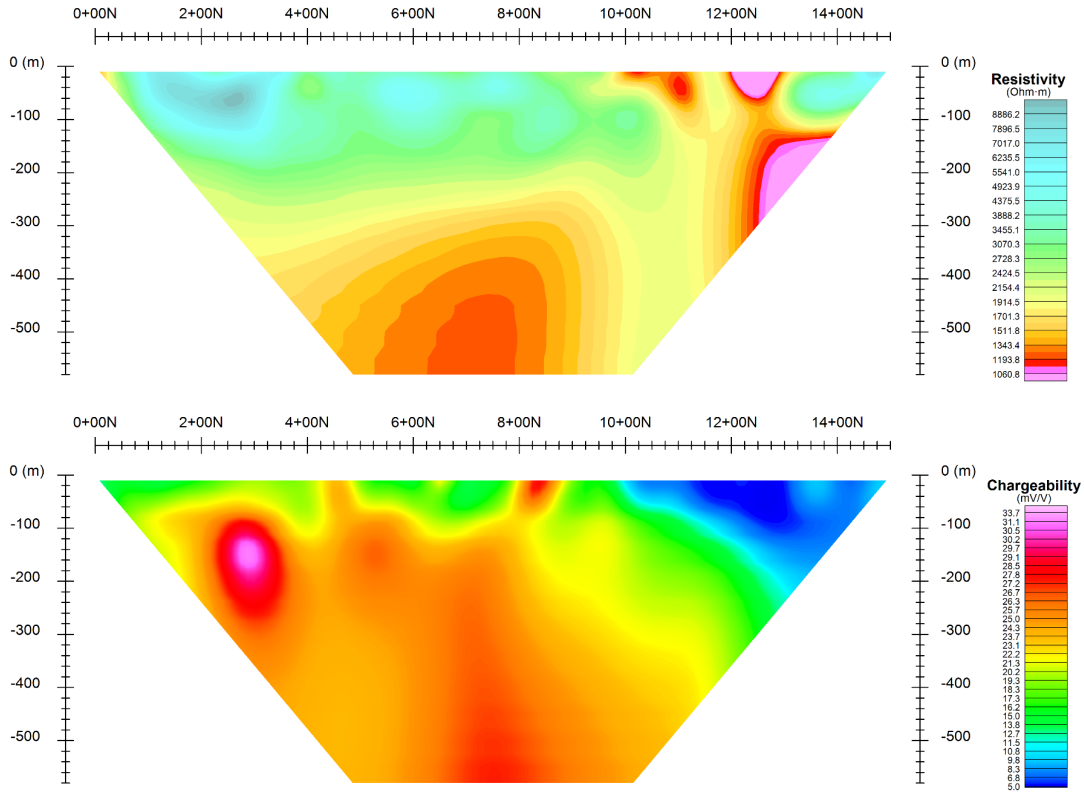
See "*Turgeon Technical Report - Figure 6.10. Chargeability at 100 m depth from Puma's 2015 IP Orevision ground geophysical survey*"



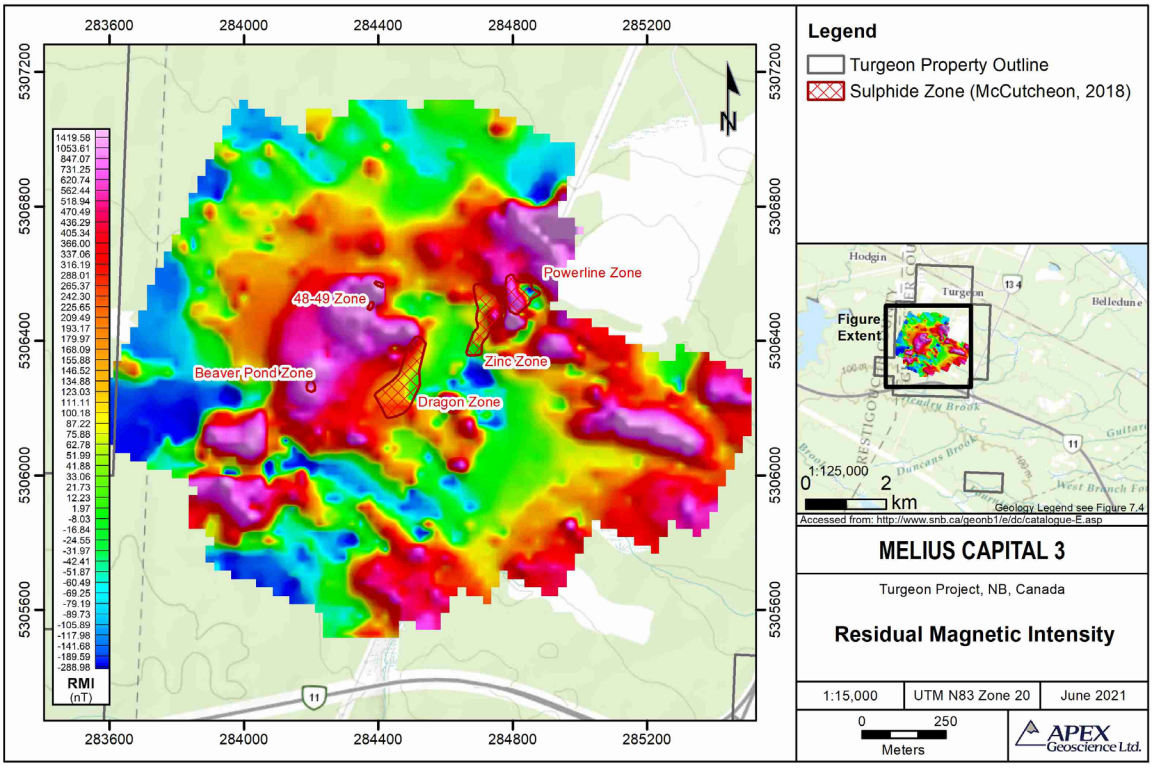
See "*Turgeon Technical Report - Figure 6.11. Chargeability at 200 m depth from Puma's 2015 IP Orevision ground geophysical survey*"



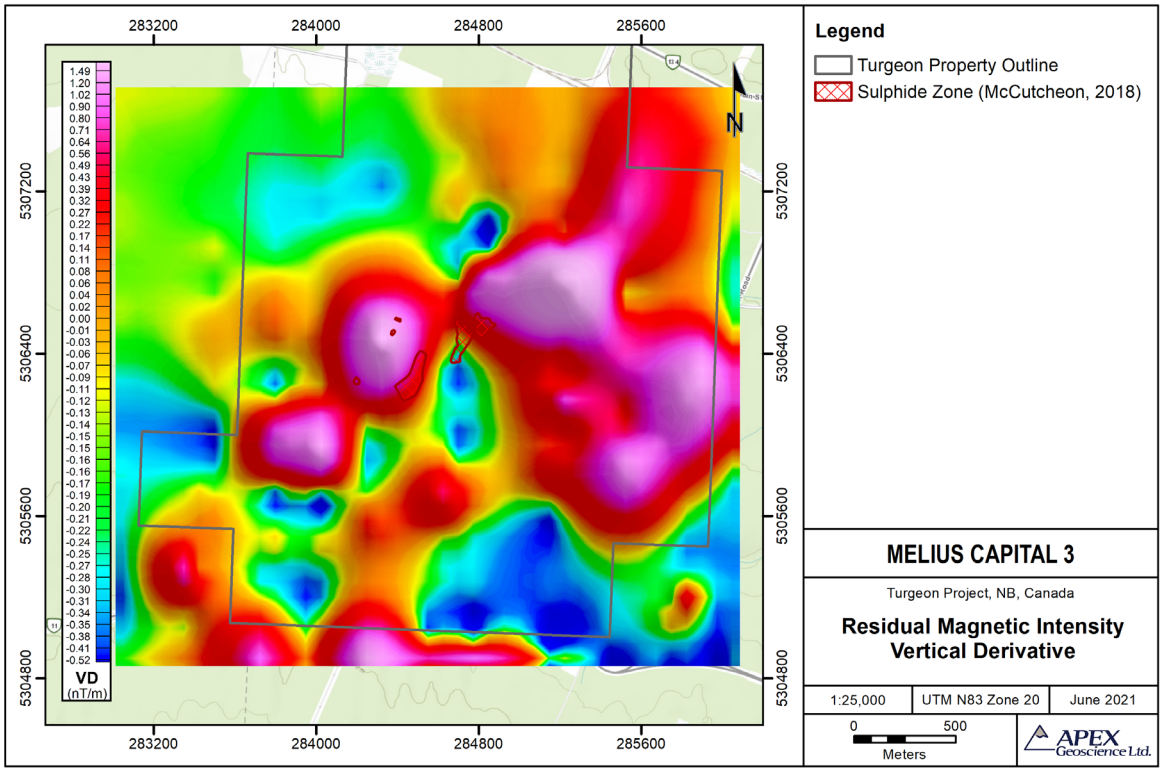
See "*Turgeon Technical Report - Figure 6.12. Resistivity and chargeability along section L 1 + 00E from Puma's 2015 IP Orevision ground geophysical survey*"



See "*Turgeon Technical Report - Figure 6.13. Resistivity and chargeability along section L 4 + 00E from Puma's 2015 IP Orevision ground geophysical survey*"



See "*Turgeon Technical Report - Figure 6.14. Residual magnetic intensity (RMI) of Puma's 2010 TDEM ground geophysical survey*"



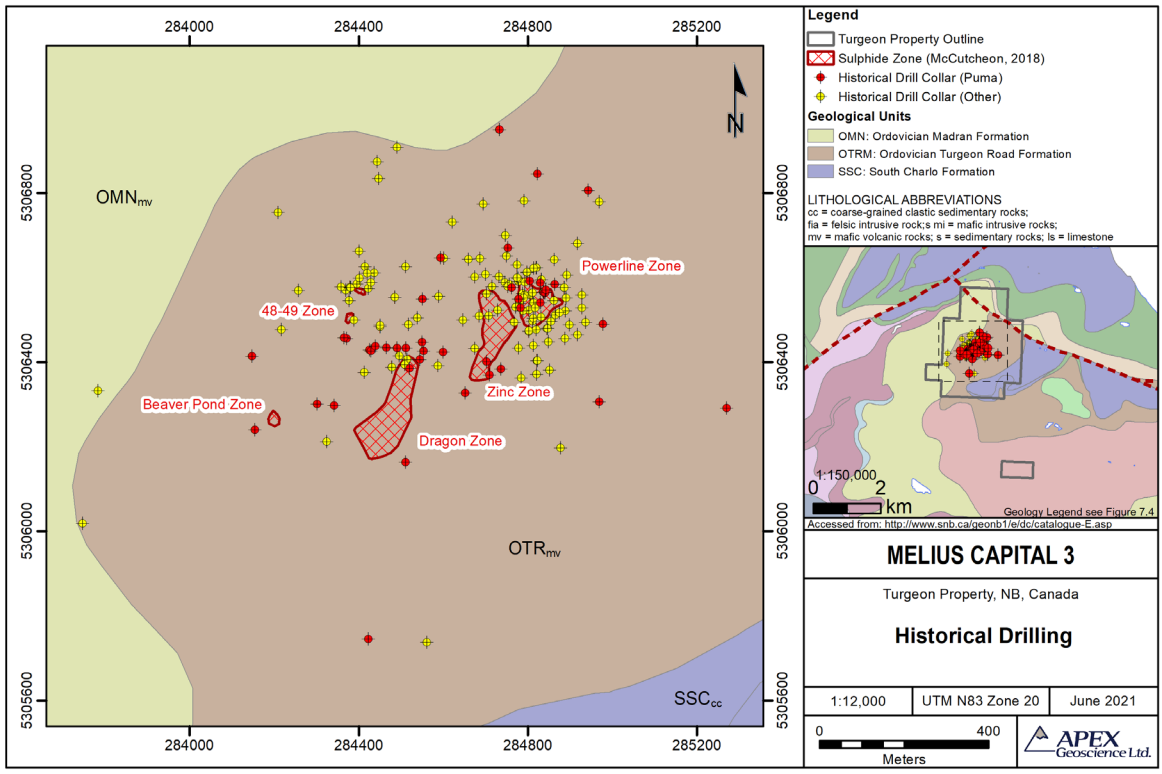
See "*Turgeon Technical Report - Figure 6.15. Airborne magnetic image of the Residual Magnetic Intensity – First Vertical Derivative. Source: Dalhousie Heath Steele*"

Drilling and Historical Resource Estimates

Historical drilling on the property has been conducted by several companies from 1958 to 2018. From 1958 to 2000, approximately 150 drillholes were completed in the Turgeon deposit area. Puma Exploration Inc., completed 45 drillholes, totalling 12,232 m, on the Turgeon Project from 2008 to 2018. The Turgeon drillhole database contains data for 178 historical drillholes, totalling 38,927 m (Table 6.4). A summary of the historical drilling conducted at the Turgeon Project is presented in Figure 6.16.

Company	Year	Total drillholes	Dip (degrees)	Orientation (Azimuth)	Total length (m)
Noranda Mines Ltd.	1958	2	-50	210 to 220	185
Rio Tinto	1960	4	-45	33 to 213	267
Industrial Minerals Exploration Co.	1967	2	-45,-60	22	381
Heron Mines Ltd.	1971	4	-45 to -90	0 to 225	263
Heron Mines Ltd.	1977	4	-45 to -90	0 to 337	413
Esso Minerals Canada	1979	13	-45 to -90	0 to 337	2,276
Esso Minerals Canada	1981	54	-42 to -80	75 to 255	12,801
Esso Minerals Canada	1982	15	-45 to -90	0 to 255	2,565
Heron Mines Ltd.	1988	9	-45 to -90	0 to 336	845
Phelps Dodge	1991-1992	21	-45 to -90	0 to 290	5,184
Heron Mines Ltd.	2000	5	-50	20 to 200	1,515
Puma Exploration Inc.	2008-2018	45	-45 to -70	10 to 310	12,232
		178			**38,927**

See "*Turgeon Technical Report - Table 6.4 Summary of historical drilling from the Turgeon drill database*"



See "*Turgeon Technical Report - Figure 6.16. Historical drilling at the Turgeon Property*"

The earliest record of diamond drilling on the Property was the completion of two diamond drillholes by Noranda Mines Ltd. in 1958. Since then, several drill programs have been completed on the property by numerous companies including Rio Tinto, Industrial Minerals Exploration Co., Heron Mines Ltd. (Heron Mines), Esso Minerals Canada (Esso), Phelps Dodge and Puma Exploration Inc. (Puma) (Table 6.4).

A total of 128 drillholes were completed in the Turgeon deposit area between 1958 and 1992. Hannon (1980) reports

that a drill program completed at the property by Heron Mines Ltd. in 1965 intersected approximately 800 tons of high-grade zinc mineralization at the Turgeon deposit. Highlights of the historical drill programs completed at the Turgeon deposit include 12.4% Zn and 1.8% Cu over 8.7 m, as well as 10.7% Zn and 0.7% Cu over 10.1 m in one of the main mineralized zinc lenses. Copper highlights include 2.5% over 34.1 m in drillhole E82-77, 2.7% Cu over 36.2 m in drillhole E82-54 and 7.9% Cu over 7.5 m in drillhole E82-46 (Robillard and Lalonde, 2008).

Esso completed drilling at the Turgeon deposit in several drill programs from 1979 to 1982 and discovered that the sulphide zones were volcanogenic and possibly of ophiolitic origin (Thurlow, 1993). In 1979, Esso estimated a historical mineral resource of 500,000 tons (453,592 tonnes) of 2% Cu and 2% Zn (Gashinski and Regan, 1982). The reader is cautioned that the Esso mineral resource estimate was constructed prior to the implementation of NI 43-101 standards and CIM standards for mineral resource estimation (as defined by the CIM Definition Standard on Mineral Resources or Ore Reserves dated May 10, 2014 (and its predecessor documents)) and does not meet the current standards set forth in NI 43-101 and CIM standards for mineral resource estimation. The authors of this Turgeon Technical Report have not done sufficient work to classify this historical estimate as a current mineral resource and have referred to this estimate as a "historical resource"; they are not treating it, or any part of it, as a current mineral resource. This historical resource estimate should not be relied upon and has only been included to demonstrate the mineral potential of the Turgeon Project.

In 1980 to 1981, Esso completed drilling to test for mineralization at the Power Line and Beaver Pond zones and to test electromagnetic geophysical anomalies. In 1981, Esso estimated a historical reserve of 1.3 million tonnes grading approximately 2% Cu and 2% Zn in mineralized pods and lenses in the Power Line Zone (Gashinski and Regan, 1982). The reader is cautioned that the Esso resource estimate was constructed prior to the implementation of NI 43-101 standards and CIM standards for mineral resource estimation (as defined by the CIM Definition Standard on Mineral Resources or Ore Reserves dated May 10, 2014 (and its predecessor documents) and does not meet the current standards set forth in NI 43-101 and CIM standards for mineral resource estimation. The authors of this Turgeon Technical Report have not done sufficient work to classify this historical estimate as a current mineral resource and have referred to this estimate as a "historical resource"; they are not treating it, or any part of it, as a current mineral resource. This historical resource estimate should not be relied upon and has only been included to demonstrate the mineral potential of the Turgeon Project.

In 1982, Esso completed 15 drillholes and extended 10 drillholes, totalling 3,915.1 m, at the Beaver Pond and Power Line Zones. No significant sulphides were intersected in the drilling.

In 1983, Esso used the results of their drill programs to estimate a historical resource of 2.5 Mt of 1.5% Cu and 4% Zn in the Power Line and the "100 m Zinc" (Zinc) Zone (Kettles, 1987). The reader is cautioned that the Esso resource estimate was constructed prior to the implementation of NI 43-101 standards and CIM standards for mineral resource estimation (as defined by the CIM Definition Standard on Mineral Resources or Ore Reserves dated May 10, 2014 (and its predecessor documents) and does not meet the current standards set forth in NI 43-101 and CIM standards for mineral resource estimation. The authors of this Turgeon Technical Report have not done sufficient work to classify this historical estimate as a current mineral resource and have referred to this estimate as a "historical resource"; they are not treating it, or any part of it, as a current mineral resource. This historical resource estimate should not be relied upon and has only been included to demonstrate the mineral potential of the Turgeon Project.

In 1988, Heron Mines completed a drill program that defined the Zinc Zone as a separate mineralized zone (Porter, 1989). Heron Mines indicated that most of the drilling conducted at the Turgeon deposit by Esso was not optimally directed and followed strike and/or was directed down dip of the volcanic stratigraphy (Porter, 1989; Thurlow, 1993).

Drilling by Phelps Dodge in 1991 moderately expanded the mineralization at the Zinc Zone; however, the 1991 and 1992 follow up drill program conducted by Phelps Dodge placed partial limits on the extent of the mineralization (Thurlow, 1993). In 1993, Phelps Dodge completed a recalculation of the approximate tonnage and grade of the Power Line, 100 m Zinc and "48-49" Zones based upon different geometries and geological correlations in comparison to the historical reserve estimate of 1.3 million tonnes at 2% Cu and 2% Zn by Esso in 1981 (Gashinski and Regan, 1982). Phelps Dodge estimated total historical geological reserves of 450,000 tonnes of 1.5% Cu and 2.5% Zn in the main lens of the Power Line Zone, the 100 m Zinc Zone and the "48-49" Zone. The historical reserve reported in Thurlow (1993) is based on undiluted "geological reserves" of massive sulphide sections only and is considered to be accurate +/-50%. *"Mineable reserves would be considerably less due to local poor ground conditions, dimensions,*

attitude and location of lenses. Due to correlation uncertainties, smaller massive sulphide zones, especially at Powerline and 48-49 Zones are not included in the estimates nor are zones of high grade (Cu) stringer mineralization, mainly in the Powerline Block. Precious metal contents are very low; of 1874 assays only four Au assays exceed 0.02 oz/ton and only four Ag assays exceed 1.0 oz/ton (Thurlow, 1993)." The reader is cautioned that the Phelps Dodge resource/reserve estimate was constructed prior to the implementation of NI 43-101 standards and CIM standards for mineral resource estimation (as defined by the CIM Definition Standard on Mineral Resources or Ore Reserves dated May 10, 2014 (and its predecessor documents)) and does not meet the current standards set forth in NI 43-101 and CIM standards for mineral resource estimation. The authors of this Turgeon Technical Report have not done sufficient work to classify this historical estimate as a current mineral resource and have referred to this estimate as a "historical resource"; they are not treating it, or any part of it, as a current mineral resource. This historical resource estimate should not be relied upon and has only been included to demonstrate the mineral potential of the Turgeon Project.

In 2000, Heron Mines drilled 5 diamond holes, totalling 1,515 m, along two lines in the Turgeon deposit area. The drill program was based on recent geological mapping and reinterpretation of historical work on the property by Heron Mines. The drilling intersected a series of altered volcanic flows, ranging from basalt through andesite, dacite to rhyolite and rhyolite breccia. The drilling intersected significant copper-zinc mineralization in one of the drillholes (F00-1) and lesser but significant similar mineralization in drillhole F00-2 (Baldwin, 2000).

Puma completed 45 drillholes, totalling 12,232 m, on the Turgeon Project from 2008 to 2018. Puma's first drilling campaign was completed in September 2008. Four core holes, totalling 369 m, were completed at the Power Line Zone. The objective of the drilling was to characterize the mineralization at Power Line and to define the metallogenic model of the Turgeon deposit to assist with future targeting. Two of the drillholes were confirmation holes and two of the drillholes tested new geophysical anomalies. The drilling intersected basalts, andesites and black mudstones. Highlights from this drill program included 2.4% Cu over 31 m core length from 31 m in drillhole F08-01 and 40 m core length of 1.0% Cu and 2.9% Zn from 50 m in drillhole F08-03 (Robillard, 2009).

The second drill campaign was completed in September 2009 and consisted of 3 core holes, totalling 435 m, drilled at the Power Line Zone. The objective of the drilling was to confirm the geological model of the Turgeon deposit, to specify the layout of the volcanogenic massive sulphide (VMS) volcanic model and to validate the continuity of the mineralization present. Drillhole F09-01 intersected a mineralized network of veins and veinlets rich in copper minerals, drillhole F09-02 intercepted the massive sulphide zone of the Power Line Zone and drillhole F09-03 defined the continuity of the mineralized lens at the surface (Gagné, 2010). Highlights of the 2009 drill program are presented in Table 6.5.

Drillhole #	From (m)	To (m)	Length (m)	Cu (%)	Zn (%)
F09-01	37.3	160.0	122.0	0.80	-
F09-01	37.3	134.5	97.0	1.00	-
F09-01	46.3	109.0	63.0	1.50	-
F09-01	46.3	76.3	30.0	1.87	-
F09-01	46.3	52.7	6.4	2.68	-
F09-01	53.0	61.0	8.0	2.04	-
F09-01	67.0	69.0	2.0	2.17	-
F09-01	71.0	76.0	5.0	2.30	-
F09-01	85.0	103.0	18.0	1.82	-
F09-01	85.0	87.0	2.0	2.70	-
F09-01	92.3	103.0	10.7	2.35	-
F09-01	107.0	109.0	2.0	1.86	-
F09-02	3.0	10.1	7.1	-	1.16
F09-02	29.0	33.0	4.0	2.35	-
F09-02	49.9	58.5	8.6	0.97	1.05
F09-02	62.4	70.3	7.9	0.72	0.55
F09-02	70.8	73.2	2.4	1.00	-
F09-02	77.9	85.1	7.2	1.40	-
F09-02	103.0	105.3	2.3	2.16	-
F09-03	11.0	13.0	2.0	-	1.25
F09-03	21.0	28.4	8.4	1.05	-

See "*Turgeon Technical Report - Table 6.5. Highlights of Puma's 2009 drilling program*"

Drilling by Puma in 2010 and 2011 tested geophysical anomalies identified in an InfiniTEM survey. Five drillholes were completed in late 2010 and early 2011 for a total metreage of 1,860 m. Drillhole FT10-02 intersected high grade copper mineralization and a massive sulphide lens of zoned copper and zinc mineralization with 10.1% Cu and 54 g/t Ag over 7.5 m core length from 135.2 m, including 2.4 m of 14.9% Cu and 137 g/t Ag from 135.2 m, followed by 42 m core length of 0.8% Cu and 1.7% Zn from 166 m depth (Puma Exploration, 2011).

Two exploration drilling campaigns were completed by Puma outside of the known mineralized zones in 2013 and 2014. The first of these campaigns resulted in the discovery of the Dragon Zone. Fifteen drillholes, totalling 2,017 m, were completed on Turgeon Property (1813) from December 2013 to February 2014. The objective of the drilling was to test IP chargeability anomalies on the property and to provide geological information on the mineralization model of the Turgeon deposit (Bernier et al., 2014). The results of the first drilling program are presented in Table 6.6. The second campaign was completed in late 2014 and consisted of 6 drillholes, totalling 1,378 m. The objective of the drilling was to test the most prospective volcanic sequence established by Puma and identify potential extensions of the "Dragon" lens (Bernier and Richer, 2015). The samples were sent to ALS Chemex in Sudbury, ON, for multielement analysis. A total of 115 m of sulphide mineralization was observed in drillhole FT14-05 including massive sulphide from 217.7 to 225.9 m depth. FT14-05 yielded 5.66% Zn, 0.38% Cu and 2.28 ppm Ag over 6.8 m core length from 219.1 m to 225.9 m.

Drillhole #	From (m)	To (m)	Length (m)	Ag (g/t)	Cu (%)	Zn (%)
FT13-01	4.3	144.1	139.8	0.40	0.03	0.23
Including	4.3	8.2	3.9	1.60	0.08	1.56
Including	71.3	106.2	34.9	1.10	0.10	0.37
Including	89.2	92.8	3.6	3.10	0.25	0.57
FT13-04	40.0	70.4	30.4	0.00	0.01	0.12
FT13-08	76.5	86.9	10.4	0.40	0.11	0.16
FT13-10	8.3	73.8	65.5	0.20	0.02	0.20
Including	14.8	25.4	10.6	0.40	0.01	0.38
Including	57.2	67.6	10.4	0.20	0.06	0.43
FT13-12	4.0	165.0	161.0	0.30	0.05	0.16
Including	4.0	24.2	20.2	0.50	0.02	0.28
FT13-13	3.0	172.5	169.5	0.30	0.05	0.12
Including	37.4	41.8	4.4	4.00	0.52	0.66
Including	151.0	155.0	4.0	0.60	1.01	0.79
FT13-15	9.5	124.4	114.9	0.20	0.04	0.11
FT14-05	48.8	342.0	293.2	-	-	0.30
Including	219.1	225.9	6.8		0.38	5.66
Including	223.2	225.9	2.7		0.23	10.05
Including	48.8	97.0	48.2		-	0.34
FT13-13 extension	37.4	155.0	117.6		-	0.17
FT14-04	7.0	50.6	43.6		-	0.15

See "*Turgeon Technical Report - Table 6.6. Highlights of Puma's drill program (2013-2014)*"

Drilling by Puma in 2015 tested the extension of the Dragon Zone discovered in 2013. Four core holes, totalling 1,378 m, were completed. The geological units intersected in the drilling were typical of ophiolitic mafic VMS deposits with several intervals of semi-massive to massive sulphides. Additionally, small zones of chloritized stockwork containing copper mineralization were observed in the drill core (Bernier, 2016). The drilling delineated a persistent alteration and mineralization halo suggesting a major hydrothermal system (Puma Exploration, 2015). The best results of this drilling program were intersected in drillholes FT15-03 and FT15-04 and include:

- FT15-03: 3.25% Zn, 0.38% Cu and 4.2 ppm Ag over 1.8 m core length from 94.2 m; 0.03% Zn, 0.84% Cu and 2.16 ppm Ag over 5.7 m core length from 158 m; and 0.02% Zn, 1.16% Cu and 0.6 ppm Ag over 2.4 m core length from 179.2 m depth.

- FT15-03 mineralized halo: 0.43% Zn, 0.11% Cu and 0.43 ppm Ag over 116.4 m core length from 221.8 m, including 4.4% Zn, 0.46% Cu and 2.51 ppm Ag over 4 m core length from 228.9 m; 1.14% Zn, 0.16% Cu and 1 ppm Ag over 7.4 m core length from 251.4 m; and 1% Zn, 0.03% Cu and 0.18 ppm Ag over 10.2 m core length from 312.5 m.

- FT15-04: 2.35% Zn, 0.27% Cu and 0.77 ppm Ag over 2.3 m core length from 95.9 m.

- FT15-04 mineralized halo: 1.15% Zn, 0.41% Cu and 0.97 ppm Ag over 23.1 m core length from 129.4 m, including 4.63% Zn, 2.64% Cu and 2.66 ppm Ag over 3.2 m core length from 132.5 m; and 1.21% Zn, 0.76% Cu and 1.48 ppm Ag over 7.9 m core length from 144.6 (Bernier and Gagné, 2016).

Puma's 2016 drill program tested targets identified by geophysical surveying and was designed to test for extensions of the Dragon Zone. Five core holes, totalling 2,569 m, were completed with 3 holes testing a geophysical target

located 500 m to the southwest of the Dragon Lens and 2 holes testing for extensions at the Dragon Zone. Samples were sent to ALS for preparation and multielement analysis using aqua regia with ICP-AES finish. Drillhole FT16-03 extended the mineralization at the Dragon Lens with an interval of 7 m core length of massive to semi massive sulphides from 107.2 m, including 1.6% Cu and 0.8% Zn over 1.4 m core length. Drillhole FT16-05 intersected 15 m core length of massive to semi massive sulphide zone of pyrite and chalcopyrite from 234 m depth and 1.7 m core length of 1.5% Zn from 318 m (Puma Exploration, 2017).

Puma's 2018 drill program tested geophysical targets identified in the 2018 BHEM survey and IP borehole survey and targeted potential mineralized extensions of known deposits (Puma Exploration, 2019). Five drillholes, totalling 1,809 m were completed. The drill samples were sent to ALS in Sudbury, ON, for preparation and shipped to ALS in Vancouver, BC, for multielement analysis using four acid digestion with ICP-MS finish. Highlights from the 2018 drill program included: 0.6% Cu and 0.26% Zn over 7.2 m core length from 207 m in FT18-01; 2.89% Zn over 0.5 m core length from 128 m in FT18-01; 0.75% Cu over 0.5 m core length from 128 m in FT18-03; and 1.23% Cu over 0.7 m core length from 132.65 in FT18-03 (Hupé and Forbes, 2018). No significant base or precious metal mineralization was returned from the drillholes that tested the geophysical anomalies (Puma Exploration, 2019).

In 2009, Puma completed a verification re-sampling program on historical core from three drillholes completed by previous companies at the Property (H88-106, H88-107 and PD-11). A total of 171 samples were collected from the drillholes and sent to ALS Chemex in Val D'Or, QC, for multielement analysis. Puma reported minimal variation in the mineralization grades. In addition, Puma observed un-sampled mineralized zones in the historical core; Puma's re-sampling program increased the thickness of the initial mineralized zones returned from the historical core (Gagné, 2010).

In 2012, Puma completed a re-sampling program on historical core drilled by previous companies at the property from 1977 to 2000. A total of 2,200 samples were collected and analysed from core drilled by previous operators from 1977 to 2000, as well as core drilled by Puma from 2008 to 2011 (Puma Exploration, 2013). Significant new mineralization was returned from the re-sampling program and is shown in Table 6.7.

Hole	From	To	Long	Cu	Ag	Zn
	m	m	m	%	g/t	%
H77-03	27.40	44.20	16.80	0.04	0.15	0.32
E79-30	83.90	89.90	6.00	0.19	0.19	0.05
E79-56	57.00	71.00	14.00	0.13	1.07	0.23
E79-56	171.65	176.30	4.65	0.27	6.93	0.38
E79-56	180.00	187.40	7.40	0.22	1.33	0.25
E81-60	188.50	193.50	5.00	0.41	8.48	0.07
E81-65	198.70	210.00	11.30	0.20	0.67	0.02
E81-69	331.00	344.00	13.00	0.27	0.27	0.01
E82-103	130.00	140.00	10.00	0.22	0.93	0.02
E82-94	156.30	160.00	3.70	0.48	7.70	0.09
H88-105	99.80	105.50	5.70	0.06	1.24	0.51
H88-109	39.00	60.00	21.00	0.02	0.14	0.35
H88-112	53.00	59.44	6.44	0.27	0.91	0.08
PD-14	105.00	113.35	8.35	0.05	0.60	0.36
PD-02	144.60	150.20	5.60	0.39	4.00	0.27
F00-02	156.60	228.70	72.10	0.12	1.43	0.05
F00-02	220.70	228.70	8.00	0.43	0.94	0.01
F00-04	120.00	145.00	25.00	0.07	0.24	0.24

See "*Turgeon Technical Report - Table 6.7. Highlights from Puma's resampling program of previous diamond holes drilled by other companies at the Turgeon Property from 1977 to 2000 (from Puma Exploration, 2013)*"

Metallurgical Test Work

In 2009, Puma commissioned LTM Inc., of Val D'Or, QC, to conduct metallurgical test work on samples of Turgeon mineralization intersected in the 2009 drill program. The samples were sub-divided in relation to the zonation of the deposit; the first group contained copper-rich stockwork type zonation and the second group contained zinc-rich massive sulphide mineralization. Two samples of approximately 20 kg were collected from each zone (Gagné, 2010). The following information on the process and results of metallurgical test work conducted on Turgeon mineralization is reproduced from Gagné (2010):

"Copper: in the preparation, 16.9 kg [kilograms] totaling 12 samples were homogenized and divided into 5 fractions of 3 kg. The goal of obtaining a copper concentrate with more than 20% copper with a recovery close to 90% was a success. The concentrate makes it possible to obtain a recovery of nearly 95% with a content greater than 20% copper.

Zinc: 6 samples totalling 22.67 kg were fractionated and homogenized into 7 fractions of 3 kg. The purpose of this test was to verify the behavior of copper and zinc during the selective flotation of each of these metals. Therefore, the possible recovery for zinc according to the tests carried out on this ore is 90% and 94% for zinc. Zinc seems easier to float than copper, but it will be difficult to obtain very rich zinc concentrates."

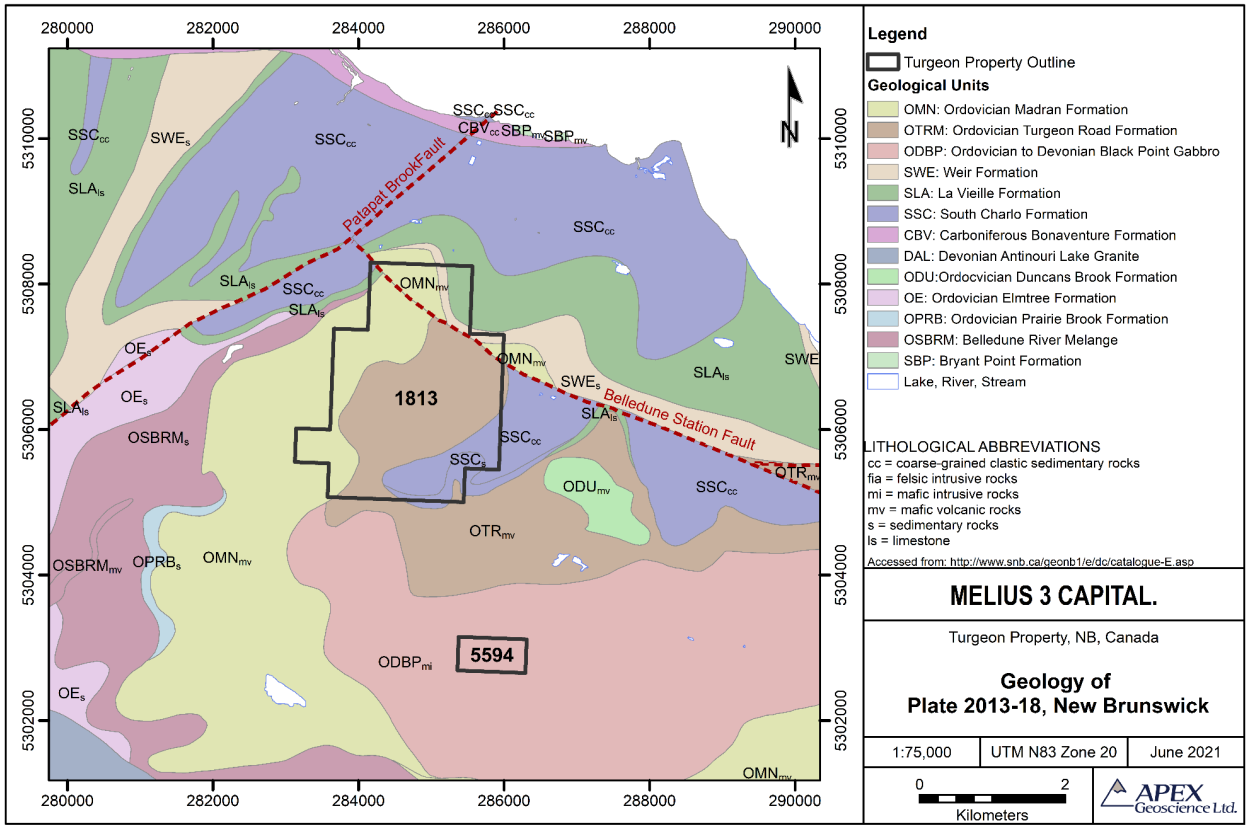
Geological Setting, Mineralization and Deposit Types

Regional Geology

The Turgeon Project lies within the Middle to Late Ordovician Fournier Supergroup of the Elmtree-Belledune Inlier. The Elmtree-Belledune Inlier is a volcano-sedimentary terrane that is separated from the Miramichi Highlands by the Rocky Brook-Millstream Fault (Figure 7.3). In the Elmtree-Belledune Inlier, the Fournier Supergroup consists of the Pointe Verte Group and Devereaux Complex.

The Pointe Verte Group is composed of alkaline basalts associated with wackes and siltstone and pillow basalts with minor feldspar phenocrysts and calcite amygdule's (Hupé and Forbes, 2018). The Point Verte Group consists of the lower sedimentary Prairie Brook Formation and overlying volcanic dominated Madran Formation. The Devereaux Complex consists of tholeiitic basalts (Belledune Tholeiite), andesites, wackes and shales, and the younger Black Point Gabbro (Winchester et al., 1992; Thurlow, 1993; Lalonde, 2014). The Silurian Chaleur Group is situated to the north of the Devereaux Complex and comprises mainly Ordovician volcanic rocks overlain by Silurian sedimentary rocks (Hupé and Forbes, 2018).

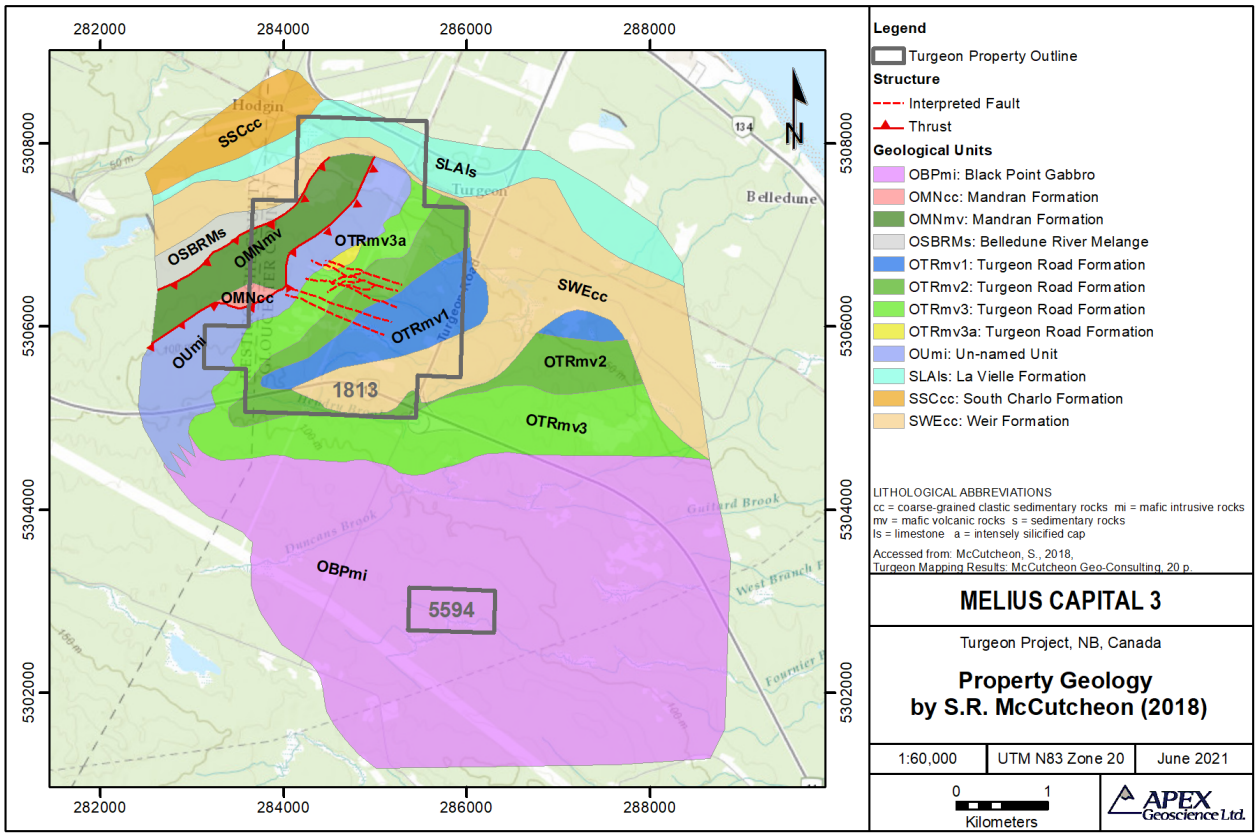
Three main geological units underlie the Turgeon Project, these include: the Ordovician Madran Formation, Ordovician Turgeon Road Formation and the Late Silurian South Charlo Formation (Figure 7.4; Wilson, 2013). The regional stratigraphy of the property area trends to the north-south and dips steeply to the west. A syn-volcanic fault complex runs parallel to the Rocky Brook-Millstream Shear Zone, trending to the east-west with a variable dip orientation. The Rocky Brook-Millstream Shear Zone was likely emplaced during a phase of large-scale transpressional movement and is associated with numerous smaller oblique faults in the area (Hupé and Forbes, 2018).



See "*Turgeon Technical Report - Figure 7.4. Geology map of Plate 2013-18 from GeoNB data catalogue (from: Wilson, 2013)*"

Turgeon Property (1813) Geology

Five major rock units underlie Turgeon Property (1813), these include: the Ordovician Madran Formation of the Pointe Verte Group, the Ordovician Turgeon Road Formation of the Devereaux Complex, an un-named unit, the Early Silurian Weir Formation and the Early Silurian La Vielle Formation (Figure 7.5; McCutcheon, 2018). The un-named unit disconformably overlies the Turgeon Road Formation and is interpreted to structurally overlie the Madran Formation to the west of the property. To the southeast of the property, the Turgeon Road Formation is uncomfortably overlain by sedimentary rocks belonging to the Early Silurian Weir Formation, as interpreted by McCutcheon (2018). Previous geological mapping in the area assigned these sedimentary rocks to the Late Silurian South Charlo Formation, as shown above in Figure 7.4. In the Turgeon Technical Report, the arcuate trending beige unit of sedimentary rocks that occur in the south and north of the property is referred to as the Weir Formation (Figure. 7.5).



See "*Turgeon Technical Report - Figure 7.5 Property geology of Tenure Block 1813 (from: McCutcheon, 2018)*"

The Ordovician Madran Formation, located mainly in the western area of the property, comprises greenish grey, alkali pillow basalt and related hyaloclastic breccia, with minor red shale, dark grey to black shale and inter-pillow limestone (McCutcheon, 2018). The Madran Formation is intruded by mafic dykes. The younging direction of the Madran Formation is unknown. Oxidized clasts are observed in some of the fragmental rocks of the Madran Formation, suggesting subaerial exposure and a shallow water depositional environment.

The Ordovician Turgeon Road Formation is divisible into three units on the property: the "lower" unit, the "middle" unit and the "upper" unit (McCutcheon, 2018). The descriptions of these units are based on each unit's relative placement with each other and not due to a chronological order. To clearly state which unit is being described, in this Turgeon Technical Report, the "lower" unit is referred to as OTR1, the "middle" unit is referred to as OTR2 and the "upper" unit is referred to as OTR3.

OTR3 (the "upper" unit) comprises amygdaloidal pillow basalt, hyaloclastite and pillow breccia, inter-pillow jasper and chert (McCutcheon, 2018). OTR3 is characterized by a curvilinear magnetic high. Considering that hyaloclastite and pillow breccia are not pyroclastic, OTR3 is interpreted to have been deposited in a deep-water depositional environment. The rocks in this unit are locally cut by mafic dykes and/or sills. Alteration in this unit includes weak to strong silicification. An intensively silicified cap exists in OTR3 and is depicted as the yellow unit in Figure 7.5. OTR2 (the "middle" unit) is characterized by a magnetic low and is similar in geology to OTR3 but lacks inter-pillow jasper and does not exhibit silicification. Alteration in this unit includes epidote alteration (± minor Cu mineralization). Minor sedimentary rocks have been observed in this unit in the vicinity of the Power Line Zone (McCutcheon, 2018). OTR1 ("lower" unit) is characterized by another magnetic high and is predominantly made up of mafic dyke rocks (McCutcheon, 2018).

The un-named unit disconformably overlies the Turgeon Road Formation and is also interpreted to structurally overlie the Madran Formation to the west of the property. This unit is made up of mafic sills and sedimentary rocks that comprise greenish grey to dark grey mudstone, quartzo-feldspathic wacke and conglomerate. The conglomerate occurs locally and is clast-supported, containing pebble- to cobble-sized clasts of wacke, altered gabbro and mudstone (McCutcheon, 2018). Historical drill core from the Turgeon Project suggests that the un-named unit dips northerly at an intermediate angle, and graded bedding indicates tops are to the north (McCutcheon, 2018). The mafic sills in this unit comprise diabase and fine to medium grained gabbro that are cut by younger dykes. Some sills show pepperitic-type margins, and the gabbro is lithologically similar to Black point Gabbro. The Black Point Gabbro outcrops approximately 1 km south of the property and is underlain by the Turgeon Road Formation. McCutcheon (2018) suggests that the gabbro sills of the un-named unit may be correlative to the Black Point Gabbro, supporting the current interpretation that the Turgeon Road Formation is older than the Black Point Gabbro.

Toward the base of the Early Silurian Weir Formation is thinly bedded, dark greenish grey mudstone and fine-grained sandstone while the apparent top is dark grey, pebble to cobble conglomerate with locally calcareous matrix (McCutcheon, 2018). Its unconformable contact with the Turgeon Road Formation is marked by a mud-clast conglomerate. Bedding-cleavage relationships in the Weir Formation indicate a gentle fold about northerly to northwesterly trending fold axes, almost perpendicular to the trend in the rocks of the Madran and Turgeon Road Formations (McCutcheon, 2018).

The northern part of the Turgeon Project is underlain by limestone of the Early Silurian La Vielle Formation. The limestone conformably overlies the older clastic rocks of the Weir formation and locally appears to directly overlie the Madran and Turgeon Road Formations (McCutcheon, 2018).

There are numerous mafic intrusive rocks on the property that range from diabase to medium grained gabbro in composition. The oldest known mafic dykes and sills on the property are confined to the Turgeon Road Formation. These dykes and sills exhibit alteration and mineralization. The un-named unit is intruded by mafic dykes and sills, including some medium grained gabbro. These have little or no alteration, but exhibit deformation. The youngest mafic dykes/sills observed on the property are fine grained and are described as relatively pristine and undeformed (McCutcheon, 2018).

Turgeon Sud Property (5594) Geology

Turgeon Sud Property (5594) is situated 2 km to the southeast of Turgeon Property (1813). Geological mapping has not been conducted over Turgeon Sud Property (5594); however, the geological map of Plate 2013-18 accessed from the New Brunswick's Department Energy and Mines extends to the area (Wilson, 2013; Figure 7.4). Turgeon Sud Property (5594) is underlain by the Black Point Gabbro of the Devereaux Complex. The Devereaux Complex comprises, from base to top, the Black Point Gabbro (including minor pyroxenite and trondhjemite), the Belledune Point sheeted dikes, and pillow basalt of the Turgeon Road Formation (Wilson et al., 2014). The tectonic contact between the Devereaux Complex and the structurally underlying Pointe Verte Group is marked by a zone of mélange (Wilson et al., 2014). The Turgeon Road Formation conformably overlies the Black Point Gabbro and is considered to be close in age as evident from the trondhjemite dykes associated with the Black Point Gabbro, yielding ages of Middle to Late Ordovician.

Interpretation of the geology of the Turgeon Project by Wilson (2013) includes the Belledune Station Fault trending northwest to southeast to the northeast corner of the property (Figure 7.5). Recent mapping by McCutcheon (2018)

indicates that the Belledune Station Fault is non-existent if the South Charlo rocks in the eastern part of the property (south of the Belledune Station fault) belong to the Weir Formation.

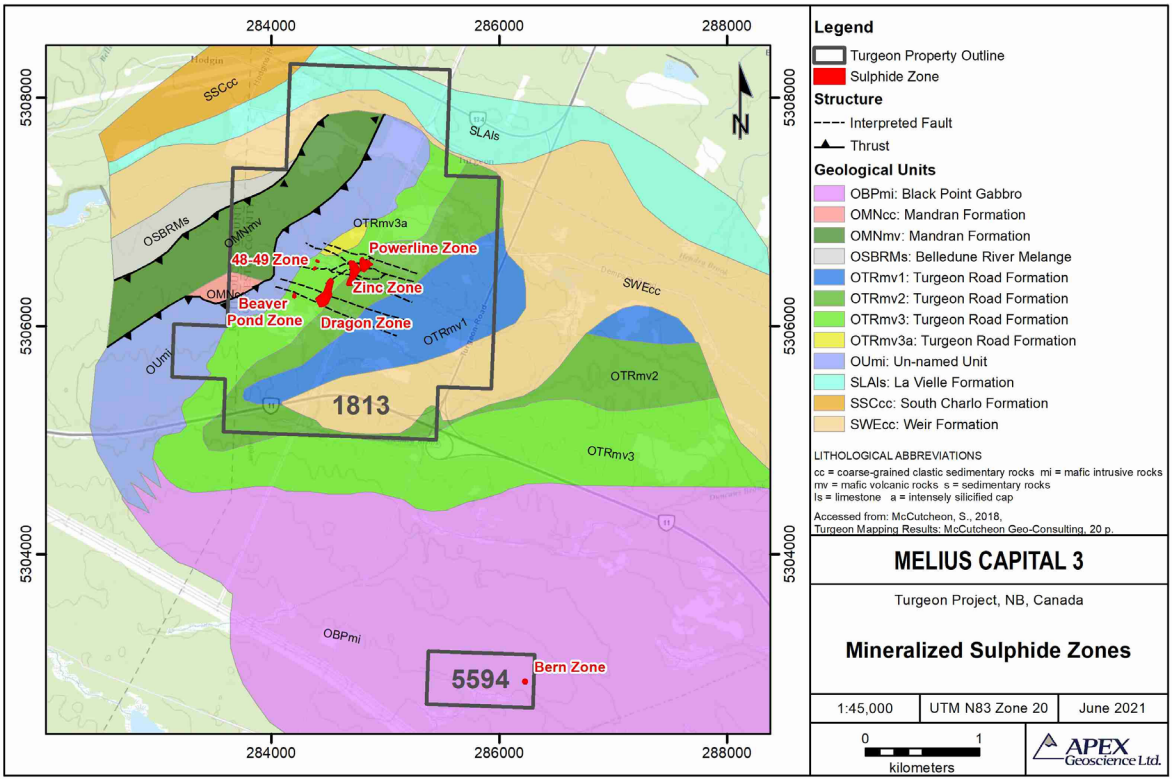
The Turgeon Project lies on the north limb of a west-southwest trending anticline that plunges to the southwest. The anticline is suggested by a formational magnetic anomaly highlighted from a historical airborne magnetic survey that reflects the upper part of the Turgeon Road Formation and is confirmed by the geology on the ground (McCutcheon, 2018). Within the mineralized area of the Turgeon Project, the volcanic rocks have been dissected into several fault blocks by a series of east to northeast striking, anastomosing brittle faults (Thurlow, 1993). Lalonde (2014) divides the Turgeon deposit area into three blocks based on these fault separations: Southern block, Power Line block and Northern block. These brittle faults are interpreted as post-volcanic and related to Devonian wrench faulting attributed to the Rocky-Brook Millstream Fault (Figure 7.3). McCutcheon notes that there are many late-stage faults on the property, as indicated by the hematite and calcite fill on the property; however, McCutcheon (2018) suggests that these do not control the distribution of the mineralization on the property. McCutcheon (2018) suggests that the mineralization is centered upon an early, northerly trending alteration pipe with an intensely silicified cap.

Mineralization

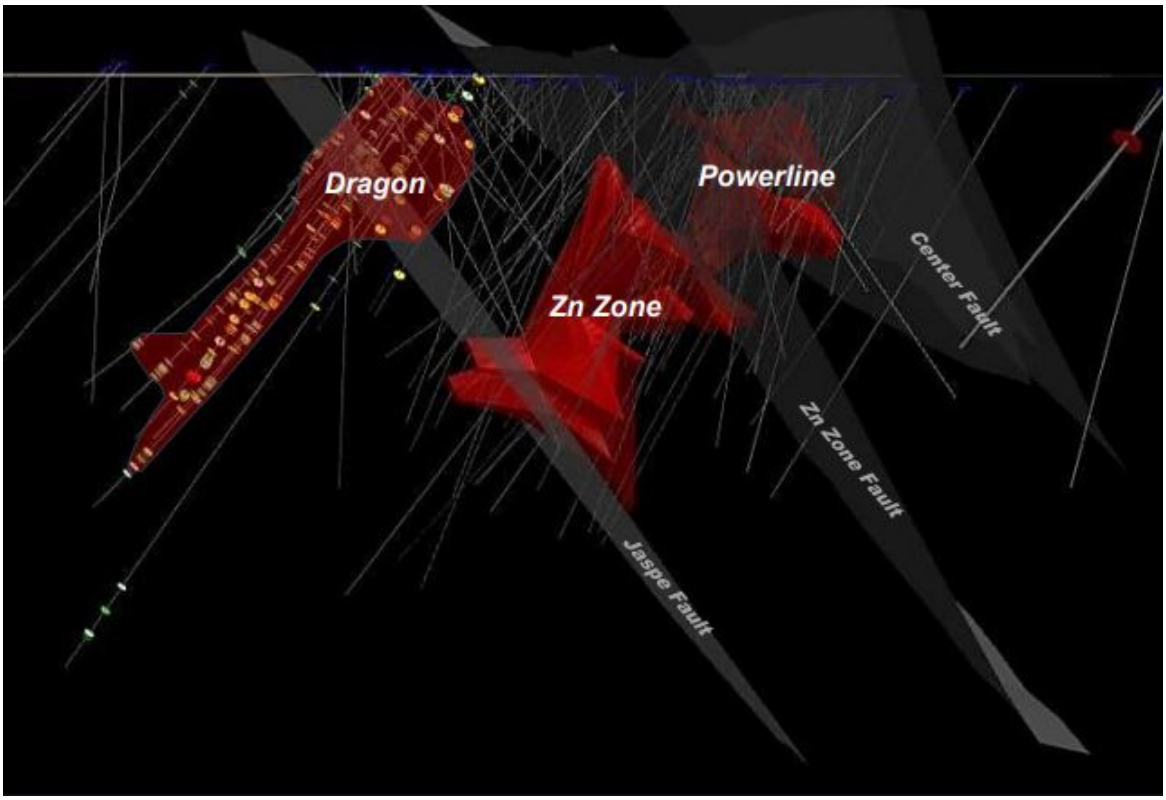
Six known sulphide zones occur within the Turgeon Project, these include: the Beaver Pond Zone, the Power Line Zone, the Zinc Zone, the "48-49" Zone, the Dragon Zone and the Bern Zone (Figure 7.6). The Zinc Zone and the Power Line Zone are collectively referred to as the Turgeon Cu-Zn deposit and are situated on Turgeon Property (1813). A three-dimensional (3D) model of the mineralization at the Zinc, Power Line and Dragon zones is shown in Figure 7.7.

Mineralization at the Turgeon Cu-Zn deposit consists of two sulphide stockwork zones and two underlying massive sulphide lenses, hosted in the Belledune tholeiite suite of the Devereaux Formation (Lalonde, 2014). More specifically, a recent study by McCutcheon (2018) indicates that the OTR3 and OTR2 units of the Turgeon Road Formation host the mineralization at Turgeon. The massive sulphide lenses of the Turgeon deposit occur at the contact between the sheeted dykes and pillow basalt units and are hosted in hyaloclastic basalt flows and interstitial to chlorite altered volcanic glass fragments. Amygdule's in the pillow basalts directly overlying mineralization are commonly filled by quartz, calcite, pyrite, and chalcopyrite (Lalonde, 2014). The massive sulphide lenses of the Turgeon deposit comprise four sulphide phases: *"(i) a chalcopyrite–pyrite stockwork, which abruptly grades into massive sulfide; (ii) massive chalcopyrite ± pyrrhotite ± pyrite; (iii) massive pyrite; and (iv) a pyrite–chalcopyrite–sphalerite breccia, which occurs in the central portion of the "100m Zn" lens, as well as on the northern side of the Power Line showing (Lalonde and Beaudoin, 2015)."*

The Zinc Zone (historically referred to as the "100 m Zinc" Zone) massive sulphide lens has a maximum thickness of 50 m and extends 150 m along strike (Thurlow, 1993). The chalcopyrite-pyrite stockwork zone of the Zinc Zone grades into a massive sulphide lens at depth (Lalonde, 2014). The sulphide lens is faulted by the 100 m Zinc Fault and is considerably sheared (Thurlow, 1993). The Zinc Zone massive sulphide lens strikes east-west, while the other sulphide zones have a northerly trend that are oblique to the contact between the Turgeon Road Formation and the un-named unit (Lalonde, 2014; McCutcheon, 2018). The transverse trend of the Zinc Zone can be explained if the host breccia is of volcanic origin and part of the stratigraphy, rather than a fault breccia. Considering that the mineralization at the Turgeon Project is largely stockwork type, the northerly trend of the zones and the "silica cap" in the OTR3 (Turgeon Road Formation "upper" unit) are consistent with a cross-cutting, northerly trending feeder system that originally dipped steeply west (approximately 70°; McCutcheon, 2018). In this case, the breccia of the Zinc Zone acted as the permeable horizon along which the mineralizing fluids moved laterally away from the feeder system and into the volcanic pile.



See "*Turgeon Technical Report - Figure 7.6 Mineralized sulphide zones of the Turgeon Property (from: McCutcheon, 2018)*"



See *"Turgeon Technical Report - Figure 7.7. An internal 3D model showing the copper and zinc mineralization at the Dragon, Zinc and Power Line mineralized sulphide zones (from: Puma Exploration, 2019b)*"

The massive sulphide lens of the “48-49” Zone strikes north-south, dips steeply to the west and occurs in proximity to the contact of the sheeted dyke complex and overlying pillow basalts (Lalonde, 2014; Lalonde and Beaudoin, 2015). The mineralization of the "48-49” Zone comprises chalcopyrite-pyrite veins in a stockwork zone that comes into abrupt contact with a massive sulphide lens. The massive sulphide lens has a maximum thickness of 40 m (Lalonde, 2014).

The Beaver Pond Zone is a copper showing located approximately 200 m northwest of the Turgeon deposit and comprises variolitic pillow lavas with inter-pillow veins of jasper-epidote-pyrite and hyaloclastite breccia (Lalonde, 2014; Lalonde and Beaudoin, 2015). The mineralization at Beaver Pond forms quartz-pyrite veins with minor chalcopyrite, chalcocite, bornite and sphalerite. The mineralized veins cross-cut a massive (4 x 7 m) saucer shaped body of jasper (Lalonde, 2014). Historical drilling indicates that the mineralization at Beaver Pond does not extend at depth (Thurlow, 1993).

The Power Line Zone comprises a network of chalcopyrite-pyrite veins cross-cutting intensely chloritized basalt and andesite. The Power Line Zone mineralization is observed on surface as east-west oriented elongated pyrite chlorite sulphide lenses bordered by basalt. A massive sulphide breccia occurs at the north of the Power Line outcrop and consists of angular to sub-rounded, poorly sorted, pyrite, chalcopyrite and sphalerite sulphide fragments, as well as amygdular basalt fragments up to 20 cm in diameter, cemented in a pyrite-chlorite-silica matrix (Lalonde, 2014).

The Beaver Pond Zone, the Power Line Zone and the Dragon Zone mineralization crops out at surface and the Zinc Zone and “48-49” Zone massive sulphide lenses have only been observed in drill core (Lalonde, 2014; McCutcheon, 2018).

The Bern Zone is situated on Turgeon Sud Property (5594) of the Turgeon Project. The Bern Zone was discovered in 2013 and is located 4 km to the south of the Turgeon Cu-Zn deposit. The thickness of the mineralized zone ranges from 5 to 10 m. The mineralization at the Bern Zone comprises quartz-chalcopyrite-bornite veins alternating with chlorite-quartz-chalcopyrite shale enclosed in a silicified gabbro (Puma Exploration Inc., 2016).

Three types of sulphide mineralization are evident in the Turgeon Project: replacement, vein, and exhalative deposits (Thurlow, 1993). Replacement sulphides form the larger mineralized bodies at Turgeon and have gradational contacts with chloritized host rocks over widths of several centimeters to a few meters. Vein sulphides are common in the property, occurring in quartz-chlorite veins and veinlets with a range of thickness from millimeters to tens of centimeters. At the Power Line Zone, the vein sulphides constitute a typical VMS stockwork (Thurlow, 1993). Exhalative sulphides are rare and only occur with inter-pillow jasper at the Beaver Pond Zone.

Proximal chloritization and distal silicification are the two types of hydrothermal alteration that are evident at the Turgeon Project. Within a few metres of the mineralization, black chloritic alteration with various amount of disseminated and fracture-filling pyrite is observed and is interpreted as high-temperature alteration (McCutcheon, 2018). Farther away from the mineralization is lower temperature silicification manifested as inter-pillow jasper and chert that cements hyaloclastite. A prograding hydrothermal system is suggested to be present at the property due to observed chloritic alteration and sulphide veinlets that locally overprint bleached and silicified rocks (Thurlow, 1993). The prograding hydrothermal system implies a long-lived system that allowed temperature geotherms to move up through the volcanic pile as deposition continued through time. Consistent with a long-lived system are multiple phases of brecciation and silicification in the “silica cap” located in OTR3 (McCutcheon, 2018).

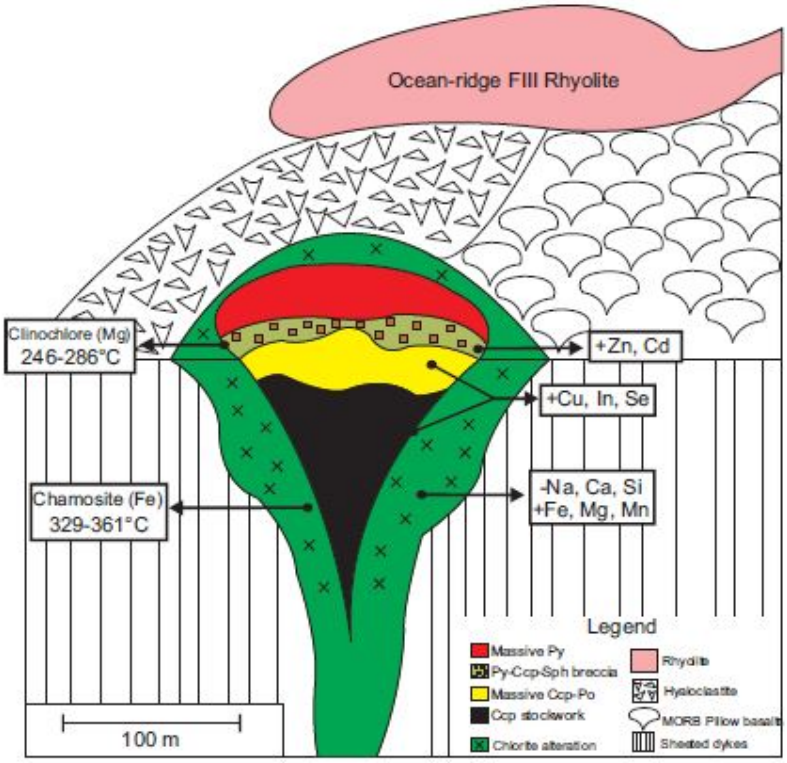
Deposit Types

The Turgeon deposit is a mafic-type Cu-Zn volcanogenic massive sulphide (VMS) deposit. The Turgeon VMS deposit is a mafic type VMS deposit, similar to other mafic type VMS deposits discovered in Newfoundland, Canada, such as the Tilt Cove and Betts Cove VMS deposits. Tilt Cove Mine was in production from 1864 to 1917 and 1957 to 1967 and was the largest mafic type VMS deposit in the Appalachian orogen. Tilt Cove Mine is reported to have produced approximately 8.2 million tonnes with copper grades ranging from 4 to 12% Cu in the early years and 2% Cu in the 1960’s (Saunders, 1985). Approximately 42,000 ounces of gold was produced from 1957 to 1960s with an average grade of 2.5 g/t Au (DeGrace et al., 1976, as cited in Saunders, 1985). The mineralization at Tilt Cove is

hosted in chloritized, sheared and brecciated pillow lavas and agglomerates (Saunders, 1985).

The Betts Cove massive sulphide deposit is hosted within the Betts Cove Complex, an Ordovician ophiolite sequence. The mineralization occurs as massive lenses, stringers and disseminations characterized by chloritic shear zones in proximity to the sheeted dyke-pillow lava contact. Mining at Betts Cove occurred from 1875 to 1885 with production totalling approximately 118,000 tonnes of ore with an average grade of 10% Cu (Saunders, 1985).

The pillow lavas and hyaloclastite that host the Turgeon deposit are interpreted to have formed by effusive submarine volcanism and fall within the flow lithofacies association. VMS deposits in the flow lithofacies association are characterized by extensive vertical alteration zones of up to one km depth and laterally restrictive alteration zones (Gibson, 1997). The chlorite footwall alteration zones of the massive sulphide lenses at Turgeon are vertically extensive and cover hundreds of metres. The relatively high aspect ratios of length to width is consistent with the interpretation of their formation in a flow-dominated succession in an ocean floor environment (Lalonde and Beaudoin, 2015). A reconstruction of the Turgeon deposit and its geological environment is presented in Figure 8.2.



See "*Turgeon Technical Report - Figure 8.2. A reconstruction of the Turgeon deposit (from Lalonde and Beaudoin, 2015)*"

Exploration

The Company has yet to conduct exploration work at the Turgeon Project. A summary of the historical exploration work completed by companies other than Melius is presented in *Turgeon Project – History* section of this Prospectus and the Turgeon Technical Report. None of this work was conducted by or on behalf of Melius.

Drilling

The Company has yet to conduct any drilling at the Turgeon Project. A summary of the historical exploration work completed by companies other than Melius is presented in *Turgeon Project – History* section of this Prospectus and the Turgeon Technical Report. None of this work was conducted by or on behalf of Melius.

Sample Preparation, Analysis and Data Verification

The Company has yet to conduct exploration work at the Turgeon Project. A summary of the sample preparation, analysis and security of historical exploration programs conducted on the property by companies other than Melius is presented in *Turgeon Project – History* section of this Prospectus and the Turgeon Technical Report.

Mineral Processing and Metallurgical Testing

The Company has yet to conduct mineral processing and/or metallurgical testing at the Turgeon Project.

Mineral Resource and Mineral Reserve Estimates

The Company has yet to conduct mineral resource/reserve modelling or estimations. There are no known mineral resources or reserves outlined at the Turgeon Project.

Conclusions

Based upon Dr. Kruse's site visit and the historical exploration work discussed in the Turgeon Technical Report, it is the opinion of the authors of the Turgeon Technical Report that the Turgeon Project is a "Property of Merit" warranting future exploration work.

Recommendations

The authors recommend a staged exploration program for the Turgeon Project. Warranted exploration for Stage 1 work includes drillhole database validation, prospecting, trenching, soil and rock sampling along with an airborne VTEM survey. Consideration should also be given to conducting a lidar survey to obtain an accurate digital terrain model. Stage 2 work should include confirmation and infill drilling in order to obtain fresh core for metallurgical samples, additional exploration drilling and the construction of an initial mineral resource estimate for the Power Line Zone and Zinc Zone, also known as the Turgeon Cu-Zn Deposit. The estimated cost for the Stage 1 exploration is $150,000. The Stage 2 work is dependent upon the results of the Stage 1 work and is estimated at a total cost of $600,000 based upon 10 holes and 2,000 m of core drilling and includes costs for metallurgical work and mineral resource modelling.

Phase 1			
Activity Type			**Cost**
Phase 1			
Heli-borne VTEM Survey			$90,000
Data Compilation/Verification			$5,000
Surface Exploration Program including prospecting, soil and rock sampling			$40,000
Lidar Survey			$15,000
		Contingency	$0
		Phase 1 Total Activities Subtotal	$150,000
Phase 2			
Activity Type	**Total (m)**	**Estimated Cost per metre**	
Diamond Drilling	2,000	$250	$500,000
Metallurgical Studies			$40,000
Mineral Resource Estimation			$54,000

Contingency	$6,000
Phase 2 Activities Subtotal	$600,000
Grand Total	$750,000

See "*Turgeon Technical Report - Table 18.1. Proposed budget for the recommended exploration at the Turgeon Property*"

USE OF PROCEEDS

Available Funds

This is a non-offering prospectus. The Company is not raising any funds in conjunction with this Prospectus and, accordingly, there are no proceeds to be raised by the Company pursuant to this Prospectus. The Company had working capital as at January 20, 2022 of $2,303,512. The Company is currently focusing on the Chester Project and does not expect to expend any significant portion of its working capital on the Turgeon Project. Upon Listing, the principal purposes for the foregoing available funds will be as follows:

Principal Purposes	**Amount**
Listing on the CSE	$20,000.00
Chester Project Phase 1 Exploration Activities[(1)]	$500,000.00
General Corporate Purposes	$450,000.00
Audit and Legal Fees[(2)]	$80,000.00
Accounting Services[(2)]	$80,000.00
Unallocated Working Capital	$1,173,512.00
Total	$2,303,512.00

Notes:

(1) As outlined in the Chester Technical Report and "*Use of Proceeds*"
(2) Includes services rendered to advance the Listing on the CSE

In response to the COVID-19 pandemic, exploration at the Chester Project and Turgeon Project may be impacted by provincial and federal government restrictions on the Company's operations. Potential stoppages on exploration activities could result in additional costs, project delays, cost overruns, and operational restart costs. The total amount of funds that the Company needs to carry out the Chester and Turgeon Exploration Program may increase from these and other consequences of the COVID- 19 pandemic.

The Company's unallocated working capital will be used to explore further future potential of the Company's properties where deemed necessary by management as new information becomes available, or acquisition of new claims and Joint Venture programs. Such investment areas may include additional exploration programs, delineation drilling, permitting, and other activities customarily associated with exploration and development projects.

The available funds will be sufficient to achieve the Company's objectives over the next 12 months. The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. In addition, the current COVID-19 pandemic as well as future unforeseen events may impact the ability of the Company to use the available funds as intended or disclosed. Use of funds will be subject to the discretion of management. Until the Company uses the unallocated funds, the Company will hold them in cash and/or invest them in short-term, interest-bearing, investment-grade securities. The Company has had negative cash flow from operations since Incorporation. See "*Risk Factors*" for further detail.

Business Objectives and Milestones

Over the next 12-months, the Company focus will be on listing on the CSE and advancing the Chester Project. The primary work programs at Chester will consist of early-stage baseline permitting, a combination of exploration and

in-fill delineation drilling, and trade-off studies. This work is necessary to explore the current limits of the ore deposit and further increase the confidence level of the previously defined mineral resources. Additional studies will also be required to incorporate and understand how the budgeted exploration and in-fill drilling programs impact the Historical Mineral Estimate (Sim, 2014). Therefore, the Company anticipates issuing an updated independent mineral resource estimate and preliminary understanding of ore processing criteria such as a draft flowsheet and recovery assumptions.

The primary business objectives of the Company with respect to the use of its available funds over the next 12 months are as follows:

Project	**Cost**	**Start (2022)**	**End (2022)**
Listing on the CSE	$20,000.00	January	March
Chester Project Phase 1			
Data Compilation and Verification	$5,000.00	February	March
Diamond Drilling (2000 meters)	$400,000.00	May	October
Geological and Metallurgical Studies	$85,000.00	May	October
General Corporate Purposes	$450,000.00	January	December
Audit and Legal Fees[(1)]	$80,000.00	January	December
Accounting Services[(1)]	$80,000.00	January	December
Subtotal	$1,120,000.00		
Contingency[(2)]	$90,000.00		
Total	**$1,210,000.00**		

Note:

(1) Includes services rendered to advance the Listing on the CSE

(2) Includes Chester Project Phase 1 contingency as outlined in the Chester Technical Report and included in "*Use of Proceeds"*

Negative Operating Cash Flow

By the nature of its business as a mineral exploration company, the Company has negative cash flow from its operating activities and generates no revenue from the exploration activities on its mineral properties. The Company anticipates that it will continue to have negative cash flow until such time as commercial production may be achieved on one or more of its mineral properties. See "*Risk Factors – Negative Cash Flow from Operating Activities*".

Since its inception in 2021, the Company has generated negative operating cash flows. The Company does not expect to generate positive cash flows until one or more of its mineral properties enters into commercial production. The Company has to this date funded its operations with proceeds from equity financings and expects to raise additional funds through equity financings.

DIVIDEND POLICY

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on its Common Shares, and does not currently have a policy with respect to the payment of dividends or other distributions. The Company does not currently pay dividends and does not intend to pay dividends in the foreseeable future. The declaration and payment of any dividends in the future is at the discretion of the Board and will depend on numerous factors, including compliance with applicable laws, financial performance, working capital requirements of the Company and its subsidiaries and such other factors as its directors consider appropriate. There can be no assurance that the Company will pay dividends under any circumstances. See "*Risk Factors – Risks Related to the Company – Dividends*".

SELECTED FINANCIAL INFORMATION

The following table sets forth selected financial information of the Company for the periods or as at the dates indicated. This summary financial information should be read in conjunction with the "*Financial Statements for the Company*" attached to and forming part of this Prospectus as Schedule A and the "*Management Discussion and Analysis for the Company*" attached to and forming part of this Prospectus as Schedule B.

	For the period from April 8, 2021 to October 31, 2021[(2)] ($)
Exploration and evaluation assets	300,000[(1)]
Exploration and evaluation expenditure	134,567
Intangible assets arising from development	-
General and administrative costs	58,320
Other material costs	506,000

Notes:

(1) All mineral properties, including the Chester Project and Turgeon Project
(2) As per Company's audited financial statements

Exploration and Evaluation Assets

For the period April 8, 2021 to October 31, 2021, the Company has incurred the following costs in connection with the Chester Project:

	For the period from April 8, 2021 to October 31, 2021[(1)] ($)
Exploration and evaluation assets	74,688

For the period April 8, 2021 to October 31, 2021, the Company has incurred the following costs in connection with the Turgeon Project:

	For the period from April 8, 2021 to October 31, 2021[(1)] ($)
Exploration and evaluation assets	132,616

Note:

(1) Data was obtained from audited financial statements as well as Company's internal documents

As an exploration stage company, the Company has not generated revenue from its property interest and does not anticipate it will do so for the foreseeable future. The Company and management anticipate that expenses related to mineral exploration and administration of the Company will materially increase after it acquires the properties upon the successful completion of the closing conditions of the Option Agreement. Management anticipates that such expenses will include increased exploration expenditures with respect to the properties and increased professional fees, and other costs associated with compliance with applicable securities laws in connection with closing of the Listing.

FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

The following financial statements of the Company and its subsidiaries and MD&A are included as schedules to this Prospectus:

Schedule "A": Audited consolidated financial statements for the 206-day period ended October 31, 2021 of the Company

Schedule "B": Management's discussion and analysis for the 206-day period ended October 31, 2021 of the Company

The financial statements listed above have been prepared in accordance with IFRS.

Certain information included in the MD&A 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 "*Caution Regarding Forward-Looking Statements*".

DESCRIPTION OF SHARE CAPITAL

The following describes material terms of the Company's authorized share structure. The following description may not be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of the Company's Articles.

Common Shares

The Company's authorized capital consists of an unlimited number of Common Shares of which 60,475,000 Common Shares are issued and outstanding as at the date of this Prospectus. Each holder of a Common Share is entitled to attend all meetings, except meetings at which only holders of other classes or series of shares are entitled to attend, and at all such meetings shall be entitled to one vote per Common Share held. Holders of Common Shares are entitled to receive dividends if and when declared by the board of directors.

Special Shares

The Company's authorized capital consists of an unlimited number of Special Shares issuable in series, of which nil Special Shares are issued and outstanding as at the date of this Prospectus. Each series of Special Shares may be issued with designation, rights, privileges, restrictions and conditions attaching to each series including, without limiting the generality of the forgoing, the rate or amount of dividends, dates of payment, redemption, purchase and or conversion price, and any sinking fund as the directors may determine. In the event of liquidation, dissolution or winding up of the Company, Special Shares rank in parity with every other series of Special Shares and are entitled to preference over Common Shares.

CONSOLIDATED CAPITALIZATION

Other than as disclosed below, there have been no material changes in the Company's share and loan capital since October 31, 2021, the date of its most recently completed financial period.

The following table sets forth the consolidated share capitalization of the Company as at the date of this Prospectus. Investors should read the following information in conjunction with the Company's audited and unaudited consolidated financial statements and related notes thereto, along with the associated MD&A, included in this Prospectus.

Designation	Amount Authorized	Amount Outstanding as of October 31, 2021	Changes	Amount Outstanding as of the Date of this Prospectus
Common Shares	Unlimited	52,500,000	7,975,000[(1)(2)]	60,475,000
Special Shares	Unlimited	-	-	-
Performance Warrants	N/A	2,500,000	(2,500,000)[(2)]	-
Warrants	N/A	-	2,737,500[(1)]	2,737,500
Options	N/A	-	1,600,000[(3)]	1,600,000

Notes:

(1) The Company completed a private placement on January 14, 2022 for 5,475,000 Units of Melius at an issue price of $0.25 for aggregate gross proceeds of $1,368,750 with each Unit consisting of 1 Common Share and ½ Warrant Share of which 1 full Warrant Share is exercisable at a price of $0.40 until the date that is the earlier of: (a) 36 months from the date of the closing of the financing, or (b) under the acceleration clause, 30 days after the Company is valued at $0.80 per share using a 10-day VWAP.

(2) On January 18, 2022, 2,500,000 Performance Warrants were exercised for 2,500,000 Common Shares of the Company

(3) 1,600,000 Options issued to directors and officers of the Company between December 1, 2021 and January 24, 2022.

OPTIONS TO PURCHASE SECURITIES

Outstanding Options

The following table sets forth the aggregate number of Options, which are outstanding as at the date of this Prospectus.

Holder of Option	Common Shares Under Options Granted	Exercise Price (C$ per Common Share)	Grant Date	Vesting Conditions	Expiry Date
Simon Quick	1,000,000	$0.10	December 1, 2021	18 months, equal quarterly release	December 1, 2026
Marcel Robillard	200,000	$0.25	January 24, 2022	18 months, equal quarterly release	January 24, 2027
Andrew Elineksy	200,000	$0.25	January 24, 2022	18 months, equal quarterly release	January 24, 2027
Andre Tessier	200,000	$0.25	January 24, 2022	18 months, equal quarterly release	January 24, 2027

Stock Option Plan

On December 1, 2021, the Shareholders of the Company approved the Stock Option Plan (the "**SOP**"). The purpose of the SOP is to provide the Company with a share-related mechanism to attract, retain and motivate qualified directors, officers, employees and consultants, to reward those individuals from time to time for their contributions toward the long term goals of the Company and to enable and encourage those individuals to acquire Common Shares as long term investments. Upon becoming a reporting issuer, the Company will be required to obtain Shareholder approval of the SOP on a yearly basis in accordance with the policies of the CSE. The general terms and conditions of the SOP are reflected in the disclosure below.

Key Terms	Summary
Eligibility	The Board shall, from time to time, in its sole discretion determine those directors, officers, employees, or consultants, if any, to whom Options are to be awarded.
Number of Shares	Not to exceed 10% of then-issued and outstanding Shares

Individual Award	In any 12-month period, Options awarded shall not exceed 5% of then-issued and outstanding Shares to one person. For consultants, in any 12-month period, Options awarded shall not exceed 2% of then-issued and outstanding Shares to one person.
Vesting Schedule	Six equal quarterly releases over a period of 18 months from award date.
Term of Option	Shall be fixed by the Board at the time the Option is awarded, provided: Prior to being listed on the Exchange, Options awarded are to expire no later than the fifth anniversary of the date on which the Shares of the Company are listed on the Exchange; or Options are to expire no later than the tenth anniversary of the award date of the Options issued after the Shares have been listed on the Exchange.
Exercise of Option	The exercise price of Options shall be the price per Share, as determined by the Board in its sole discretion, and if awarded after the shares are listed on the Exchange, shall not be less than the closing price of the Shares on the Exchange on the date preceding the award date, less any discount permitted by the Exchange. Subject to the provisions of the Option Plan and the particular Option, an Option may be exercised, in whole or in part, by delivering a written notice of exercise to the Company along with payment in cash, bank transfer or certified cheque for the full amount of the exercise price of the Shares then being purchased.
Termination of Option	In the event that the Option Holder should die while he or she is still (i) a director, consultant or employee (other than a consultant or an employee performing investor relations activities), the Expiry Date shall be 12 months from the date of death of the Option Holder; or (ii) a person performing investor relations activities, the Expiry Date shall be 90 days from the date of death of the Option Holder. In the event that the Option Holder ceases to be a director, employee or consultant other than by reason of death and ceases to be eligible through another capacity to hold an Option, the Expiry Date of the Option shall be the 30th day following the date the Option Holder ceases to be a director, employee or consultant unless to Option Holder ceases to be eligible to be a director as prescribed by legislation, ceases to be a director through special resolution, terminated for cause, or a securities regulatory authority having jurisdiction prohibits the Option Holder form holding an Option, in which case the Options shall expire immediately.
Non-Assignability and Non-Transferability	Options may not be assigned or transferred, provided however that the Personal Representative of an Option Holder may, to the extent permitted by this SOP, exercise the Option within the Exercise Period.
Adjustments	If prior to the complete exercise of any Option the Shares are consolidated, subdivided, converted, exchanged or reclassified or in any way substituted for (collectively the "Event"), an Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Event in the manner the Board deems appropriate. No fractional Shares shall be issued upon the exercise of the Options and accordingly, if as a result of the Event an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

The foregoing summary of the SOP is not complete and is qualified in its entirety by reference to the SOP, which is filed on the Company's profile on SEDAR.

Warrants

On May 13, 2021, the Company issued 2,500,000 Performance Warrants to vest upon successful completion of a private placement raising gross proceeds of $750,000. Performance Warrants expire five years from date of issuance and are exercisable at a price of $0.02. The Performance Warrants were exercised on January 18, 2022 for 2,500,000 Common Shares of the Company.

On January 14, 2022, the Company completed a private placement for 5,475,000 Units of Melius at an issue price of $0.25 for aggregate gross proceeds of $1,368,750 with each Unit consisting of 1 Common Share and ½ Warrant Share of which 1 full Warrant Share is exercisable at a price of $0.40 until the date that is the earlier of: (a) 36 months from the date of the closing of the financing, or (b) under the acceleration clause, 30 days after the Company is valued at $0.80 per share using a 10-day VWAP.

PRIOR SALES

The following table summarizes the issuances of Common Shares and securities that are convertible or exchangeable into Common Shares in the 12 months prior to the date of this Prospectus:

Issue Date	Type of Security	Number Issued	Issue Price	Exercise Price
May 3, 2021	Common Shares[(1)]	4,000,000	$0.005	
May 13, 2021	Common Shares[(2)]	20,000,000	$0.024	
May 13, 2021	Performance Warrants[(3)]	2,500,000		$0.02
June 30, 2021	Common Shares[(4)]	6,000,000	$0.05	
September 8, 2021	Common Shares[(5)]	15,000,000	$0.05	
October 27, 2021	Common Shares[(6)]	7,500,000	$0.10	
January 20, 2022	Units[(7)] (1 Common Share and ½ Warrant Share)	5,475,000	$0.25	$0.40

Notes:
(1) Builder's shares subscription.
(2) The Company issued 20,000,000 Common Shares at $0.024 per share in settlement of accounts payable.
(3) Performance Warrants to vest upon successful completion of a private placement raising gross proceeds of $750,000. Performance Warrants expire five years from date of issuance and are exercisable at a price of $0.02. These warrants have been exercised and are now part of common shares outstanding.
(4) 600,000 Common Shares at a price of $0.05 valued at $300,000 issued to Puma in accordance with the Puma Option Agreement.
(5) Private Placement closed on September 8, 2021 for 15,000,000 Common Shares of Melius at an issue price of $0.05 for aggregate gross proceeds of $750,000.
(6) Private Placement closed on October 27, 2021 for 7,500,000 Common Shares of Melius at an issue price of $0.10 for aggregate gross proceeds of $750,000.
(7) Private Placement closed on January 20, 2022 for 5,475,000 Units of Melius at an issue price of $0.25 for aggregate gross proceeds of $1,368,750 with each Unit consisting of 1 Common Share and ½ Warrant Share of which 1 full Warrant Share is exercisable at a price of $0.40 until the date that is the earlier of: (a) 36 months from the date of the closing of the financing, or (b) under the acceleration clause, 30 days after the Company is valued at $0.80 per share using a 10-day VWAP.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

National Policy 46-201 – Escrow for Initial Public Offerings ("NP 46-201") provides that all securities of an issuer owned or controlled by a Principal must be placed in escrow at the time the issuer distributes its securities or convertible securities to the public by prospectus, unless the securities held by such Principal or issuable to such Principal upon conversion of convertible securities held by the Principal collectively represent less than 1% of the total issued and outstanding securities of the issuer after giving effect to the initial distribution. Generally, a prospectus filed solely for the purpose of the issuer becoming a "reporting issuer" is not considered a prospectus which distributes the issuers securities or convertible securities. However, in Melius's case, as a market is being developed for its

securities, this Prospectus is to be considered an "IPO prospectus" for the purposes of NP 46-201. As such, the Securities held by the Principals will be held in escrow pursuant to the policies of NP 46-201.

In addition, Bio Terruno Corp. as the holder of 2,000,000 Common Shares of the Company that are builder's shares ("Builder Shares"), as defined by Appendix A to the CSE Policy 2, is voluntarily entering into an escrow agreement to be subject to the policies and release schedule specified under NP 46-201.

The following table sets forth the Securities of the Principals and holders of Builder Shares that, as at the date of Listing, will be subject to escrow or that are currently, or will be, subject to a contractual restriction on transfer and the percentage that number represents of the outstanding securities of that class.

Designation of Class	Number of Securities Held in Escrow or that are Subject to a Contractual Restriction on Transfer	Percentage of Class
Common Shares	4,000,000	6.6%
Options	1,000,000	62.5%

As at the date hereof, the Company and Simon Quick (the "Principals") and Bio Terruno Corp., holder of Builder Shares, will enter into an escrow agreement (the "Escrow Agreement") with Endeavour Trust Corporation as escrow agent (the "Escrow Agent"), pursuant to which the Escrowed Shareholders will collectively deposit 4,000,000 Common Shares into escrow (the "Escrowed Securities") with the Escrow Agent, representing 6.6% of the issued and outstanding Common Shares.

Upon the completion of the Listing, Melius will be an "emerging issuer" pursuant to NP 46-201 and, as such, the Escrowed Securities will be subject to a three year escrow and subject to the following release scheduled:

Date	Amount of Escrowed Securities Released
On the Offering Date	1/10th of the Escrowed Securities
6 months after the Offering Date	1/6th of the remaining Escrowed Securities
12 months after the Offering Date	1/5th of the remaining Escrowed Securities
18 months after the Offering Date	1/4th of the remaining Escrowed Securities
24 months after the Offering Date	1/3rd of the remaining Escrowed Securities
30 months after the Offering Date	1/2 of the remaining Escrowed Securities
36 months after the Offering Date	the remaining Escrowed Securities

The release schedule may be accelerated if the Company establishes itself as an "established issuer" as described in NP 46-201.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities will not be able to be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within escrow are:

transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or of a material operating subsidiary, with the approval of the Board;

transfers to a person or company that before the proposed transfer holds more than 20% of the Company's outstanding Common Shares, or to a person or company that after the proposed transfer will hold more than 10% of the Company's outstanding Common Shares and has the right to elect or appoint one or more directors or senior officers of the Company or any material operating subsidiary;

- transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse, children or parents;
- transfers upon bankruptcy to the trustee in bankruptcy or another person or company entitled to escrow securities on bankruptcy; and
- pledges to a financial institution as collateral for a bona fide loan, provided that upon a realization the securities remain subject to escrow.

Tenders of Escrowed Securities to a take-over bid or business combination are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid or business combination, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

If the Principals acquire any additional securities of the Company of the type listed above, those securities will be added to the securities already in escrow, to increase the number of remaining Escrowed Securities. Such increased number of remaining Escrowed Securities will be released in accordance with the release schedule in the table above.

Additionally, securities of the Company may be subject to additional escrow restrictions and restrictions on transfer pursuant to NP 46-201, or if required by the CSE or other applicable regulations of any other stock exchange on which the Securities of the Company may be listed for trading in the future. There can be no guarantee that the Securities will be listed for trading on the CSE or any other stock exchange.

Statutory Hold Periods

In addition to the foregoing, securities legislation imposes certain resale restrictions on securities issued within the four months preceding the Listing, such hold periods are governed by NI 45-102 – *Resale of Securities*. All certificates representing securities subject to these restrictions will bear legends indicating the applicable hold periods.

DIRECTORS AND EXECUTIVE OFFICERS

To the Company's knowledge as at the date of this Prospectus, the directors and executive officers of the Company as a group will beneficially own, control or direct, directly or indirectly, 2,000,000 Common Shares, representing approximately 3.3% of the Common Shares.

Director and Executive Officer Profiles

The following table sets forth the name of each director and executive officer of the Company as at the date of this Prospectus, their province or state and country of residence, their position(s) and office(s) held with the Company, their principal occupation(s) during the preceding five years, the date they became a director of the Company, if applicable, and the number and percentage of Common Shares they beneficially own, or control or direct, directly or indirectly. Each director's term will expire immediately prior to the first annual meeting of Shareholders of the Company.

Name and Residence	Position(s) and Office(s) with Melius	Age	Principal Occupation(s) During Past Five Years	Officer/Director Since	Number and Percentage of Common Shares Held [(1)]
Simon Quick Ontario, Canada	Director, Chief Executive Officer	34	Vice President, Projects	CEO since November 11, 2021 Director since December 20, 2021	2,000,000 shares, 3.3%
Name and Residence	**Position(s) and Office(s) with Melius**	**Age**	**Principal Occupation(s) During Past Five Years**	**Officer/Director Since**	**Number and Percentage of Common Shares Held [(1)]**
Jing Peng Ontario, Canada	Chief Financial Officer	44	Chief Financial Officer	December 1, 2021	nil

Marcel Robillard[(2)] Quebec, Canada	Director	51	Chief Executive Officer	December 20, 2021	nil
Andrew Elinesky[(2)] Ontario, Canada	Director	44	Chief Financial Officer	January 24, 2022	nil
André Tessier[(2)] Quebec, Canada	Director	58	Chief Executive Officer; Regional Resident Geologist	January 24, 2022	nil

Notes:
(1) Based on 60,475,000 Common Shares issued and outstanding as of the date of this Prospectus.
(2) Member of the Audit Committee

Director and Executive Officer Biographies

Simon Quick, Age 34 – Director, Chief Executive Officer & Corporate Secretary

Mr. Quick was appointed Chief Executive Officer of Melius in November, 2021. He has more than 13 years as a well-regarded mining leader, with a track record spanning the USA, Mexico, Argentina, and Canada. His specific experience includes early stage permitting, project development through to design engineering, and construction across multiple commodities. Mr. Quick joins Melius from McEwen Mining Inc. where he was Vice President of Projects. He has an honours degree in Economics from Bishop's University and an Executive MBA from the Kellogg School of Management at Northwestern University.

Jing Peng, 44 – Chief Financial Officer

Mr. Peng is a Canadian Chartered Professional Accountant. He has worked in public accounting for the past 10 years providing financial services primarily to junior exploration companies. Mr. Peng has acted as CFO and director for other Canadian reporting issuers. In addition, since December 2010, Mr. Peng has been the senior financial analyst at Marrelli Support Services, a well-respected supplier of accounting and reporting services. Mr. Peng was a senior accountant at MSCM LLP and KPMG LLP. Mr. Peng holds a master degree in Management and Professional Accounting from the Rotman School of Management, University of Toronto.

Marcel Robillard, 51 – Director

Mr. Robillard became President and CEO of Puma in 2010. He is currently a Director of PEZM Gold Inc. (PEZM-H) and reviewing potential strategic acquisition opportunities in the green energy sector. From 1998 to 2007, Marcel held the position of Project Geologist and Project Manager at Géominex, a geology and exploration consulting Company, before taking on the role of President from 2007 to 2015. Marcel has a B.Sc. in Geology and an M.Sc. in Earth Sciences from the Université du Québec à Montreal, Canada.

Andrew Elinesky, 44 – Director

As a finance professional, Mr. Elinesky brings over 20 years of experience as a CFO and senior financial leader for publicly traded companies in both Canada and the US. He is currently a CFO for Skylight Health Group Inc. With a focus on M&A and consolidation experience, Andrew was Senior Vice-President and CFO at McEwen Mining Inc. where he managed equity and debt financing of over $150M and a $35M asset acquisition and $40M corporate acquisition. He also has held various senior leadership and treasury roles at Heinz UK, Diageo, and Worldcom UK. Andrew graduated from Oxford Brookes University, is a CPA in Ontario, and is Treasurer for the Canadian Network for the Prevention of Elder Abuse.

André Tessier, 58 – Director

Mr. Tessier P.Eng, P.Geo., is a Professional Engineer and Geologist, involved in the mineral exploration and mining

industry since 1989, including 16 years as Director, President and CEO of publicly traded junior companies. Mr. Tessier started his career as Exploration Manager of the Quebec exploration office for Cominco Ltd in Noranda. He subsequently became geological consultant to the industry with clients from both the major and junior sectors in Canada, South and Central America and Central Asia. Mr. Tessier obtained his Engineering degree at Ecole Polytechnique in Montreal and his MSc in Economic Geology at Queen's University in Kingston. Mr. Tessier holds professional designations with Geoscientists of Ontario, Quebec, as-well as Professional Engineers of Ontario and Quebec.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

None of the Company's directors or executive officers is, as at the date hereof, or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation, that was in effect for a period or more than 30 consecutive days (an "**Order**") that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such issuer, 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, chief executive officer or chief financial officer.

None of the Company's directors or executive officers, nor, to its knowledge, any Shareholder holding a sufficient number of its securities to affect materially the control of the Company (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or Shareholder.

None of the Company's directors or executive officers, nor, to its knowledge, any Shareholder holding a sufficient number of its securities to affect materially the control of the Company, has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement 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

To the best of the Company's knowledge, there are no existing or potential material conflicts of interest between the Company and any of its directors or officers as of the date hereof. However, certain of the Company's directors and officers are, or may become, directors or officers of other companies with businesses, which may conflict with its business. Accordingly, conflicts of interest may arise which could influence these individuals in evaluating possible acquisitions or in generally acting on the Company's behalf. See also "*Risk Factors – Risks Related to the Company – The directors and officers may have conflicts of interest with the Company*".

Pursuant to the OBCA, directors and officers of the Company are required to act honestly and in good faith with a view to the best interests of the Company.

Generally, as a matter of practice, directors who have disclosed a material interest in any contract or transaction that the Board is considering will not take part in any board discussion respecting that contract or transaction. If on occasion such directors do participate in the discussions, they will refrain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which directors or officers may have a conflict.

See also "*Interest of Management and Others in Material Transactions"*.

Other Reporting Issuer Experience

The following table sets out the directors and officers of the Company that are, or have been within the last five years, directors, officers or Promoters of other reporting issuers in any Canadian jurisdiction:

Name	Name of Reporting Issuer	Market or Exchange Traded On	Position	From	To
Simon Quick	McEwen Mining Inc.	NYSE, TSX	Officer	2016	2021
Marcel Robillard	Puma Exploration Inc.	TSXV	Director, Officer	2009	Present
	Pezm Gold	TSXV	Director	2019	Present
	BWR Exploration	TSXV	Director	2016	2020
	Brunswick Exploration	TSXV	Director	2013	2018
Andrew Elinesky	Skylight Health Group	NASDAQ, TSXV	Officer	2021	2022
	Reklaim Inc.	TSXV, OTC	Officer	2019	2021
	McEwen Mining Inc.	NYSE, TSX	Officer	2016	2019
Jing Peng	Austin Resources Ltd.	TSXV	Officer	2015	Present
	Continental Precious Minerals Inc.	TSX	Officer	2015	2020
	Pudo Inc.	TSXV	Officer	2015	2015
	URU Metals Limited	AIM, London	Officer	2014	Present
	Oil Optimization Inc.	TSXV	Officer	2014	2016
	BE Resources	TSXV	Director	2017	Present
	Tintina Mines Limited	TSXV	Officer	2016	Present
	OutdoorPartner Media Corporation	NEX	Officer	2014	Present
	New Era Minerals Inc.	TSXV	Director	2016	Present
	Canadian Silver Hunter Inc.	TSXV	Officer	2014	2018
	Crypto Star Corp.	TSXV	Officer	2018	Present
	Powerband Solutions Inc.	TSXV	Officer	2018	Present
	FenixOro Gold Corp.	TSXV	Officer	2020	Present
	Fupositive Corporation	TSXV	Officer	2019	Present
	Novamind Inc.	TSXV	Officer	2020	Present
	Tri Origin	TSXV	Officer	2017	2019
André Tessier	Delta Resources Limited	TSXV	Officer	2019	2022
	Murgor Resources Inc.	TSXV	Officer	2003	2015
	Eagle Hill Exploration Corp.	TSXV	Director	2009	2013

DIRECTOR AND EXECUTIVE COMPENSATION

Prior to obtaining a receipt for this Prospectus from securities regulatory authorities in Qualifying Jurisdictions, the Company was not a reporting issuer in any jurisdiction. As a result, certain information required by Form 51-102F6 – *Statement of Executive Compensation* ("**Form 51-102F6V**") has been omitted pursuant to Section 1.3(8) of Form 51- 102F6V.

Securities legislation requires the disclosure of the compensation received by each Named Executive Officer of the Company. "Named Executive Officer" is defined by securities legislation to mean: (i) the CEO; (ii) the CFO; (iii) the most highly compensated executive officer of the Company, including any of its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually more than $150,000 for that financial year; and (iv) each individual who would be a "Named Executive Officer" under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in similar capacity, at the end of the most recently completed financial year.

As of the date of this Prospectus, the Company has the following Named Executive Officers (collectively, the "**Named Executive Officers**" or "**NEOs**"):

- Simon Quick, Chief Executive Officer & Corporate Secretary; and
- Jing Peng, Chief Financial Officer

Compensation Governance

Philosophy

In determining the compensation to be paid or awarded to its executives, the Board seeks to encourage the advancement of the Company's exploration projects, with a view to enhancing Shareholder value. To achieve these objectives, the Company believes it is critical to create and maintain a compensation program that attracts and retains committed, highly qualified personnel by providing appropriate rewards and incentives that align the interest of its executives with those of its Shareholders. In addition, as Melius, currently, has no revenues from operation and operates with limited financial resources, the Board needs to consider not only the Company's financial situation at the time of determining executive compensation but also the Company's estimated financial situation in the mid and long term.

The Company's executive compensation program consists of a combination of base salary and long-term incentives in the form of participation in the Stock Option Plan. In making its determinations regarding the various elements of executive Option grants, the Company will seek to meet the following objectives:

(a) to attract, retain and motivate talented executives who create and sustain Melius' continued success within the context of compensation paid by other companies of comparable size engaged in similar business in appropriate regions;

(b) to align the interests of the NEOs with the interests of the Company's Shareholders; and

(c) to incent extraordinary performance from our key personnel.

The Company is an early stage exploration company and may not generate revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Company to be appropriate in the evaluation of the performance of its executive officers.

Base Salary

The base salary for each executive is established by the Board, based upon the position held by such executive, competitive market conditions, such executive's related responsibilities, experience and the NEO's skill base, the functions performed by such executive and the salary ranges for similar positions in comparable companies. Individual and corporate performance will also be taken into account in determining base salary levels for executives.
Cash Bonuses

Cash bonuses do not form a normal part of Melius' executive compensation. However, the Company may elect to utilize such incentives where the role-related context and competitive environment suggest that such a compensation modality is appropriate. When and if utilized, the amount of cash bonus compensation will normally be paid on the basis of timely achievement of specific pre-agreed milestones. Each milestone will be selected based upon

consideration of its impact on Shareholder value creation and the ability of the Company to achieve the milestone during a specific interval. The amount of bonus compensation will be determined based upon achievement of the milestone, its importance to the Company's near and long term goals at the time such bonus is being considered, the bonus compensation awarded to similarly situated executives in similarly situated exploration-stage junior mining companies or any other factors the Board may consider appropriate at the time such performance-based bonuses are decided upon. The quantity of bonus will normally be a percentage of base salary not to exceed 100%. However, in exceptional circumstances, the quantity of bonus paid may be connected to the Shareholder value creation embodied in the pre-agreed milestones.

Options

Options are a key compensation element for Melius. Because many of the most capable individuals in the mining industry work for companies who can offer attractive cash and bonus compensation and a high level of employment security, Options represent a compensation element that balances the loss of employment security that such individuals must accept when moving to a junior exploration company such as Melius. Options are also an important component of aligning the objectives of Melius' executive officers and consultants with those of its Shareholders, while encouraging them to remain associated with the Company. Melius expects to provide significant Option positions to its executive officers and consultants. The precise amount of Options to be offered will be governed by the importance of the role within the Company, by the competitive environment within which Melius operates, and by the regulatory limits on Option grants that cover organizations such as Melius. When considering an award of Options to an executive officer, consideration of the number of Options previously granted to the executive may be taken into account, however, the extent to which such prior grants remain subject to resale restrictions will generally not be a factor.

See "*Options to Purchase Securities - Stock Option Plan*" for a summary of the key terms of the Stock Option Plan.

Compensation Risks

In making its compensation-related decisions, the Board carefully considers the risks implicitly or explicitly connected to such decisions. These risks include the risks associated with employing executives who are not world-class in their capabilities and experience, the risk of losing capable but under-compensated executives, and the financial risks connected to the Company's operations, of which executive compensation is an important part.

In adopting the compensation philosophy described above, the principal risks identified by the Company are:

(a) that the Company will be forced to raise additional funding (causing dilution to Shareholders) in order to attract and retain the caliber of executive employees that it seeks; and

(b) that the Company will have insufficient funding to achieve its objectives.

Executive Compensation-Related Fees

For the financial year ended October 31, 2021, no fees were billed to the Company by any consultant or advisor, or any of its affiliates, for services related to determining compensation for any of the Company's directors and executive officers or for any other services.

Hedging Named Executive Officers or Directors

The Company has no policy with respect to NEOs or directors purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by an NEO or director.

Compensation, excluding Options and Compensation Securities

The following table sets out the compensation, excluding options and compensation securities, paid to the individuals and the total compensation expected to be paid on an annual basis. The anticipated compensation set out herein is based on current conditions in the mining industry and on the associated approximate allocation of time for each NEO, and is as such subject to adjustments based on changing market conditions and corresponding changes to required time commitments.

Table of Compensation Excluding Options and Compensation Securities								
Name and Principal Position	**Year**	**Annual salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**		**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total Compensation ($)**
Simon Quick, Chief Executive Officer & Corporate Secretary[1]	2022	150,000	50,000[2]	-	-	-	54,635[4]	254,635
	2021	25,000	-	-	-	-	-	25,000
Jing Peng, Chief Financial Officer[3]	2022	20,940	-	-	-	-	-	20,940
	2021	1,745	-	-	-	-	-	1,745
Marcel Robillard, Director	2022	5,000	-	-	-	-	27,317[4]	32,317
André Tessier, Director	2022	5,000	-	-	-	-	27,317[4]	32,317
Andrew Elinesky, Director	2022	5,000	-	-	-	-	27,317[4]	32,317

Notes:

(1) Mr. Quick was hired as Chief Executive Officer and Corporate Secretary as of November 11, 2021
(2) Potential performative bonus based on certain metrics outlined in employment agreement
(3) The Company entered into a Service Agreement with Marrelli Support Services on December 1, 2021 for Chief Financial Officer services to be provided by Jing Peng
(4) Option package granted to Officers and Directors, valued using Black Scholes, (Volatility 65%, RFR 1.18%, Duration 5 years)

Stock Options and Other Compensation Securities

The following table sets forth information with respect to the Options granted under the Stock Option Plan or other rights to acquire securities of the Company to NEOs and directors as of the date of this Prospectus.

Compensation Securities							
Name and Principal Position	**Type of compensation security**	**Number of compensation securities, number of underlying securities and percentage of class**	**Date of issue or grant**	**Issue, conversion or exercise price**	**Closing price of security or underlying security on date of grant**	**Closing price of security or underlying security as at date of this Prospectus**	**Expiry date**
Simon Quick, Chief Executive Officer & Corporate Secretary	Stock Options	1,000,000	December 1, 2021	$0.10	$0.10	$0.25	December 1, 2026
Marcel Robillard, Director	Stock Options	200,000	January 24, 2022	$0.25	$0.25	$0.25	January 24, 2027
Andrew Elinesky, Director	Stock Options	200,000	January 24, 2022	$0.25	$0.25	$0.25	January 24, 2027
André Tessier, Director	Stock Options	200,000	January 24, 2022	$0.25	$0.25	$0.25	January 24, 2027

Exercise of Options and Compensation Securities by Directors and NEOs

During the year ended October 31, 2021, there was no exercise of Options granted under the Stock Option Plan or other rights to acquire securities of the Company by NEOs and directors of the Company.

External Management Companies

The Company has engaged Marrelli Support Services to provide the services of a Chief Financial Officer. The services agreement is for an indefinite term, unless terminated in accordance with its terms. There is no change in control provision.

Employment, Consulting and Management Agreements

As of the date hereof the Company has an employment contract with Simon Quick that sets out compensation and provides for payments at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, in the amount of six month's salary in effect at the time.

The employment contract for Simon Quick commenced November 11, 2021 for an indefinite term at $150,000 per annum and the potential for a cash bonus of $50,000 based on performative metrics. Key performance metrics include increases to company share price, market capitalization, inferred resource growth, and other corporate matters.

Pension Plan Benefits

The Company does not anticipate having any deferred compensation plan or pension plan that provide for payments or benefits at, following or in connection with retirement.

Director Compensation

The Board approved a policy in respect of director compensation on January 6, 2022, which entitles each director, except for the CEO and Chair, to an annual retainer equal to $5,000. Melius contemplates that each director, will be entitled to participate in the Stock Option Plan and any other security-based compensation arrangement or plan adopted by Melius with the approval of the Board and/or Melius' Shareholders, as may be required by applicable law or CSE policies.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers or employees of the Company or former directors, executive officers or employees of the Company or its subsidiaries had any indebtedness outstanding to the Company or any of the subsidiaries as at the date hereof and no indebtedness of these individuals to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of the subsidiaries as at the date hereof, except as disclosed below. Additionally, no individual who is, or at any time during the Company's last financial year was, a director or executive officer of the Company, proposed management nominee for director of the Company or associate of any such director, executive officer or proposed nominee is as at the date hereof, or at any time since the beginning of the Company's last financial year has been, indebted to the Company or any of its subsidiaries or to another entity where the indebtedness to such other entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, including indebtedness for security purchase or any other programs, except as disclosed below.

AUDIT COMMITTEE

The Company has formed an Audit Committee comprised of Andrew Elinesky, André Tessier and Marcel Robillard all of whom are "financially literate" as defined in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). Andrew Elinesky and André Tessier are considered "independent", pursuant to NI 52-110.

The Audit Committee provides assistance to the Board in fulfilling its obligations relating to the integrity of the internal financial controls and financial reporting of the Company. The external auditors of the Company report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities include: (i) reviewing and reporting to the Board on the annual audited financial statements (including the auditor's report thereon) and unaudited interim financial statements and any related management's discussion and analysis, if any, and other financial disclosure related thereto that may be required to be reviewed by the Audit Committee pursuant to applicable legal and regulatory requirements; (ii) reviewing material changes in accounting policies and significant changes in accounting practices and their impact on the financial statements; (iii) overseeing the audit function, including engaging in required discussions with the Company's external auditor and reviewing a summary of the annual audit plan at least annually, overseeing the independence of the Company's external auditor, overseeing the Company's internal auditor, and pre-approving any non-audit services to the Company; (iv) reviewing with management and the Company's external auditors, at least annually, the integrity of the internal controls over financial reporting and disclosure; (v) reviewing management reports related to legal or compliance matters that may have a material impact on the Company and the effectiveness of the Company's compliance policies; and (vi) maintain, review and update the Company's whistleblowing procedures as set forth in the Company's whistleblower policy.

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

Relevant Education and Experience

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

(a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and

reserves;

(b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and

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

Andrew Elinesky

As a finance professional, Mr. Elinesky brings over 20 years of experience as a CFO and senior financial leader for publicly traded companies in both Canada and the US. He is currently a CFO for Skylight Health Group Inc. With a focus on M&A and consolidation experience, Andrew was Senior Vice-President and CFO at McEwen Mining Inc. where he managed equity and debt financing of over $150M and a $35M asset acquisition and $40M corporate acquisition. He also has held various senior leadership and treasury roles at Heinz UK, Diageo, and Worldcom UK. Andrew graduated from Oxford Brookes University, is a CPA in Ontario, and is Treasurer for the Canadian Network for the Prevention of Elder Abuse.

André Tessier

Mr. Tessier P.Eng, P.Geo., is a Professional Engineer and Geologist, involved in the mineral exploration and mining industry since 1989, including 16 years as Director, President and CEO of publicly traded junior companies. Mr. Tessier started his career as Exploration Manager of the Quebec exploration office for Cominco Ltd in Noranda. He subsequently became geological consultant to the industry with clients from both the major and junior sectors in Canada, South and Central America and Central Asia. Mr. Tessier obtained his Engineering degree at Ecole Polytechnique in Montreal and his MSc in Economic Geology at Queen's University in Kingston. Mr. Tessier holds professional designations with Geoscientists of Ontario, Quebec, as-well as Professional Engineers of Ontario and Quebec.

Marcel Robillard

Mr. Robillard became President and CEO of Puma in 2010. He is currently a Director of PEZM Gold Inc. (PEZM-H) and reviewing potential strategic acquisition opportunities in the green energy sector. From 1998 to 2007, Marcel held the position of Project Geologist and Project Manager at Géominex, a geology and exploration consulting Company, before taking on the role of President from 2007 to 2015. Marcel has a B.Sc. in Geology and an M.Sc. in Earth Sciences from the Université du Québec à Montreal, Canada.

Pre-Approval Policies and Procedures

The Audit Committee mandate requires that the Audit Committee pre-approve any retainer of the auditor of the Company to perform any non-audit services to the Company that it deems advisable in accordance with applicable legal and regulatory requirements and policies and procedures of the Board. The Audit Committee is permitted to delegate pre-approval authority to one of its members; however, the decision of any member of the Audit Committee to whom such authority has been delegated must be presented to the full Audit Committee at its next scheduled meeting.

External Auditor Service Fees by Category

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

Financial Year Ending	Audit Fees	Audit Related Fees[(1)]	Tax Fees[(2)]	All Other Fees[(3)]
206-day period ending October 31,2021	$25,177.53	$6,740,98	0	0

Notes:

(1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.
(2) Fees charged for tax compliance, tax advice and tax planning services.
(3) Fees for services other than disclosed in any other column.

STATEMENT ON CORPORATE GOVERNANCE

The Company and the Board recognize the importance of corporate governance to the effective management of the Company and to the protection of its employees and Shareholders. The Company's approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed so as to enhance Shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or at meetings held as required. Frequency of meetings may be increased, and the nature of the agenda items may be changed depending upon the state of the Company's affairs and in light of opportunities or risks which the Company faces. The directors are kept informed of the Company's business and affairs at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise.

National Policy 58-201 – *Corporate Governance Guidelines* establishes corporate governance guidelines to be used by issuers in developing their own corporate governance practices. The Board is committed to ensuring that the Company has an effective corporate governance system, which adds value and assists the Company in achieving its objectives.

The Company's approach to corporate governance is set forth below.

Mandate of the Board

The Board assumes responsibility for the stewardship of the Company and the enhancement of Shareholder value. The Board is responsible for:

(a) adopting a strategic plan for the Company and reviewing the plan in light of management's assessment of emerging trends, the competitive environment, the opportunities for the business of the Company, risk issues, and significant business practices and products;

(b) ensuring that the risk management of the Company is prudently addressed;

(c) reviewing the Company's approach to human resource management and overseeing succession planning for management;

(d) reviewing the Company's approach to corporate governance, including an evaluation of the adequacy of the mandate of the Board, director independence standards and compliance with the Company's Code of Business Conduct; and

(e) upholding a comprehensive policy for communications with Shareholders and the public at large.

The frequency of meetings of the Board and the nature of agenda items may change from year to year depending upon the activities of Melius. The Board intends to meet at least annually and at each meeting there is a review of the business of Melius.

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board being held to obtain an update on significant corporate activities and plans, both with and without members of the Company's management being in attendance.

Composition of the Board

The Board is composed of four directors, two of whom qualify as independent directors. For this purpose, a director is independent if he or she has no direct or indirect "material relationship" with Melius, as defined in National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**"). A "material relationship" is a

relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment. An individual who has been an employee or executive officer of the Company within the last three years is considered to have a material relationship with the Company.

Of the directors, Andrew Elinesky and André Tessier are considered independent for the purposes of NI 58-101. Simon Quick, as Chief Executive Officer and Corporate Secretary and Marcel Robillard are not considered independent for the purposes of NI 58- 101.

Inter-locking Directorships

Some of the directors of the Company serve on the same boards of directors of other reporting issuers (or the equivalent) in Canada or foreign jurisdictions. The following table lists the directors of the Company who serve on boards of directors of other reporting issuers (or the equivalent) and the identities of such reporting issuers (or the equivalent).

Name of Director	Reporting Issuers (or the Equivalent)
Marcel Robillard	Puma Exploration Inc. – TSXV Pezm Gold – TSXV
Andrew Elinesky	Skylight Health Group – NASDAQ, TSXV

The Board has determined that these inter-locking directorships do not adversely impact the effectiveness of these directors on the Board or create any potential for conflicts of interest. However, certain of the Company's directors are, or may become, directors, officers or shareholders of other companies with businesses, which may conflict with the Company's business.

See also "*Risk Factors – Risks Related to the Company – The directors and officers may have conflicts of interest with the Company*", "*Directors and Executive Officers – Conflicts of Interest*" and "*Interest of Management and Others in Material Transactions"*.

Orientation and Education

Each new director participates in the Company's initial orientation program and each director participates in the Company's continuing director development programs. The Board reviews the Company's initial orientation program and continuing director development programs. Melius provides new directors copies of relevant financial, technical, geological and other information regarding its properties and meetings with management. Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and developments, and to attend related industry seminars. Board members have full access to the Company's records.

Ethical Business Conduct

Melius has adopted a written Code of Business Conduct, which emphasizes the importance of matters relating to honest and ethical conduct, conflicts of interest, confidentiality of corporate information, protection and proper use of corporate assets and opportunities, compliance with applicable laws, rules and regulations and the reporting of any illegal or unethical behaviour.

Other Board Committees

As of the date hereof, the Board has one committee, the Audit Committee. The Board will consider the formation of other committees, as necessary, following completion of the Prospectus.

Director Assessment

The Board responsible for ensuring that an appropriate system is in place to evaluate the effectiveness of the Board as a whole, the individual committees of the Board, and the individual members of the Board and such committees with

a view of ensuring that they are fulfilling their respective responsibilities and duties. In connection with such evaluations, each director is required to provide his or her assessment of the effectiveness of the Board and each committee as well as the performance of the individual directors, annually. Such evaluations take into account the competencies and skills each director is expected to bring to his or her particular role on the Board or on a committee, as well as any other relevant factors.

RISK FACTORS

Investing in the Company's securities is speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of its development. The following risk factors, as well as risks currently unknown to us, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company, or its business, property or financial results, each of which could cause purchasers of the Company's securities to lose part or all of their investment. The risks set out below are not the only risks the Company faces; risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial may also materially and adversely affect the Company's business, financial condition, results of operations and prospects. Before deciding whether to invest in any securities of the Company, investors should consider carefully the risks discussed below.

Risks Related to the Company

Exploration Stage Company

The Company is an exploration stage company and cannot give any assurance that a commercially viable deposit, or "reserve," exists on any properties for which the Company currently has or may have (through potential future joint venture agreements or acquisitions) an interest. Determination of the existence of a reserve depends on appropriate and sufficient exploration work and the evaluation of legal, economic, and environmental factors. If the Company fails to find a commercially viable deposit on any of its properties, its financial condition and results of operations will be materially adversely affected.

No Mineral Resources

Currently, there are no mineral resources (within the meaning of NI 43-101) on any of the properties in which the Company has an interest and the Company cannot give any assurance that any mineral resources will be identified. If the Company fails to identify any mineral resources on any of its properties, its financial condition and results of operations will be materially adversely affected.

No Mineral Reserves

Currently, there are no mineral reserves (within the meaning of NI 43-101) on any of the properties in which the Company has an interest and the Company cannot give assurance that any mineral reserves will be identified. If the Company fails to identify any mineral reserves on any of its properties, its financial condition and results of operations will be materially adversely affected.

Reliability of Historical Information

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

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

Mineral Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and any development activities will result in any discoveries of commercial ore bodies. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Substantial expenditures are required to establish ore reserves through exploration and drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities and grades to justify commercial operations or that funds required for development can be obtained on a timely basis. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Competition and Mineral exploration

The mineral exploration industry is intensely competitive in all of its phases and the Company must compete in all aspects of its operations with a substantial number of large established mining companies with greater liquidity, greater access to credit and other financial resources, newer or more efficient equipment, lower cost structures, more effective risk management policies and procedures and/or greater ability than the Company to withstand losses. The Company's competitors may be able to respond more quickly to new laws or regulations or emerging technologies or devote greater resources to the expansion of their operations, than the Company can. In addition, current and potential competitors may make strategic acquisitions or establish cooperative relationships among themselves or with third parties. Competition could adversely affect the Company's ability to acquire suitable new mineral properties or prospects for exploration in the future. Competition could also affect the Company's ability to raise financing to fund the exploration and any development of its properties or to hire qualified personnel. The Company may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Company's business, financial condition or results of operations.

Additional Funding

The exploration and any development of the Company's mineral properties will require substantial additional capital. When such additional capital is required, the Company will need to pursue various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing Shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all. A failure to raise capital when needed

would have a material adverse effect on the Company's business, financial condition and results of operations. Any future issuance of securities to raise required capital will likely be dilutive to existing Shareholders. In addition, debt and other debt financing may involve a pledge of assets and may be senior to interests of equity holders. The Company may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the mining industry in particular), the Company's status as a new enterprise with a limited history, the location of the Company's mineral properties, the price of commodities and/or the loss of key management personnel.

Acquisition of Additional Mineral Properties

If the Company loses or abandons its interests in its mineral properties, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the CSE. There is also no guarantee that the CSE will approve the acquisition of any additional properties by the Company, whether by way of an option or otherwise, should the Company wish to acquire any additional properties.

Government or Regulatory Approvals

Exploration and development activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents, which may be withdrawn or made subject to limitations. There is no guarantee that, upon completion of any exploration, a mining licence will be granted with respect to exploration territory. There can also be no assurance that any exploration licence will be renewed or if so, on what terms. These licences place a range of past, current and future obligations on the Company. In some cases, there could be adverse consequences for breach of these obligations, ranging from penalties to, in extreme cases, suspension or termination of the relevant licence or related contract.

Permits and Government Regulation

The future operations of the Company may require permits from various federal, state, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. Possible future government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before development and production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance, with changes in governmental regulations, has the potential to reduce the profitability of operations. The Company is currently in compliance with all material regulations applicable to its exploration activities.

Limited Operating History

The Company has a limited operating history and its mineral properties are exploration stage properties. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under- capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The current state of the Company's mineral properties require significant additional expenditures before any cash flow may be generated. Although the Company possesses an experienced management team, there is no assurance that the Company will be successful in achieving a return on Shareholders' investment and the likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

An investment in the Company's securities carries a high degree of risk and should be considered speculative by purchasers. There is no assurance that we will be successful in achieving a return on Shareholders' investment and the likelihood of our success must be considered in light of our early stage of operations. Investors should consider

any purchase of the Company's securities in light of the risks, expenses and problems frequently encountered by all companies in the early stages of their corporate development.

Title Risks

Although the Company has or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company has not conducted surveys on all of the claims in which it holds direct or indirect interests. The Company's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by unidentified or unknown defects. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claims to individual mineral properties or mining concessions may be constrained. A successful challenge to the Company's title to a property or to the precise area and location of a property could cause delays or stoppages to the Company's exploration and any development or operating activities without reimbursement to the Company. Any such delays or stoppages could have a material adverse effect on the Company's business, financial condition and results of operations.

The properties owned or optioned by the Company may in the future be the subject of First Nations land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the properties optioned or owned by the Company cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the properties optioned or purchased by the Company are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with First Nations in order to facilitate exploration and development work on the properties optioned or owned by the Company.

Laws and Regulation

The Company's exploration activities are subject to extensive federal, provincial and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters in all the jurisdictions in which it operates. These laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. The Company applies the expertise of its management, advisors, employees and contractors to ensure compliance with current laws.

Uninsured and Underinsured Risks

The Company faces and will face various risks associated with mining exploration and the management and administration thereof including those associated with being a public company. Some of these risks are not insurable; some may be the subject of insurance which is not commercially feasible for the Company. Those insurances which are purchased will have exclusions and deductibles which may eliminate or restrict recovery in the event of loss. In some cases, the amount of insurance purchased may not be adequate in amount or in limit.

The Company will undertake intermittent assessments of insurable risk to help ensure that the impact of uninsured/underinsured loss is minimized within reason. Risks may vary from time to time within this intermittent period due to changes in such things as operations operating conditions, laws or the climate which may leave the Company exposed to periods of additional uninsured risk.

In the event risk is uninsurable, at its reasonable and sole discretion, the Company may endeavor to implement policies and procedures, as may be applicable and/or feasible, to reduce the risk of related loss.

Public Health Crises such as the COVID-19 Pandemic

In December 2019, a novel strain of coronavirus known as COVID-19 surfaced and has spread around the world causing significant business and social disruption. COVID-19 was declared a worldwide pandemic by the World Health Organization on March 11, 2020. The speed and extent of the spread of COVID-19 and the duration and intensity of resulting business disruption and related financial and social impact, are uncertain. Such adverse effects related to COVID-19 and other public health crises may be material to the Company. The impact of COVID-19 and

efforts to slow the spread of COVID-19 could severely impact the exploration and any development of the Chester Project and Turgeon Project. To date, a number of governments have declared states of emergency and have implemented restrictive measures such as travel bans, quarantine and self-isolation. If the exploration and any development of the Chester Project and Turgeon Project are disrupted or suspended as a result of these or other measures, it may have a material adverse impact on the Company's financial position and trading price of the Common Shares.

COVID-19 and efforts to contain it may have broad impacts on the Company's supply chain, labour, or the global economy, which could have a material adverse effect on the Company's financial position. While governmental agencies and private sector participants are seeking to mitigate the adverse effects of COVID-19, and the medical community is seeking to develop vaccines and other treatment options, the efficacy and timing of such measures is uncertain.

Global Economy Risk

The volatility of global capital markets, including the general economic slowdown in the mining sector, over the past several years has generally made the raising of capital by equity or debt financing more difficult. The Company may be dependent upon capital markets to raise additional financing in the future. As such, the Company is subject to liquidity risks in meeting its operating expenditure requirements and future development cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management. If these levels of volatility persist or if there is a further economic slowdown, the Company's operations, the Company's ability to raise capital and the trading price of the Company's securities could be adversely impacted.

In addition, the current outbreak of COVID-19, and any future emergence and spread of similar pathogens, could have a material adverse impact on global economic conditions, which may adversely impact: the market price of the Common Shares, the Company's operations, its ability to raise debt or equity financing for the purposes of mineral exploration and development, and the operations of the Company's suppliers, contractors and service providers.

Environmental Risks

The Company's activities are subject to extensive laws and regulations governing environment protection. The Company is also subject to various reclamation related conditions. Although the Company closely follows and believes it is operating in compliance with all applicable environmental regulations, there can be no assurance that all future requirements will be obtainable on reasonable terms. Failure to comply may result in enforcement actions causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures. Intense lobbying over environmental concerns by non- governmental organizations has caused some governments to cancel or restrict development of mining projects. Current publicized concern over climate change may lead to carbon taxes, requirements for carbon offset purchases or new regulation. The costs or likelihood of such potential issues to the Company cannot be estimated at this time.

The legal framework governing this area is constantly developing, therefore the Company 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 Company, 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 Company'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 Company's activities and, in particular, the proposed exploration and mining by the Company in New Brunswick, Canada.

Social and Environmental Activism

The Company plans to conduct exploration, development and production activity in New Brunswick, Canada.

There is an increasing level of public concern relating to the effects of mining on the nature landscape, in communities

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

Dependence on Management and Key Personnel

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business. As the Company's business activity grows, the Company will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that these efforts will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increase. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Company's operations and financial condition. In addition, the COVID-19 pandemic may cause the Company to have inadequate access to an available skilled workforce and qualified personnel, which could have an adverse impact on the Company's financial performance and financial condition.

Claims and Legal Proceedings

The Company and/or its directors and officers may be subject to a variety of civil or other legal proceedings, with or without merit. From time to time in the ordinary course of its business, the Company may become involved in various legal proceedings, including commercial, employment and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Company's business, operating results or financial condition.

Conflicts of Interest

Most of the Company's directors and officers do not devote their full time to the affairs of the Company and are also directors, officers and shareholders of other natural resource or other public companies, and as a result they may find themselves in a position where their duty to another company conflicts with their duty to the Company. Although the Company has policies which address such potential conflicts and the OBCA has provisions governing directors in the event of such a conflict, none of the Company's constating documents or any of its other agreements contain any provisions mandating a procedure for addressing such conflicts of interest. There is no assurance that any such conflicts will be resolved in favour of the Company. If any such conflicts are not resolved in favour of the Company, the Company may be adversely affected.

Copper and Other Metal Prices

If the Company's mineral properties are developed from exploration properties to full production properties, the majority of our revenue will be derived from the sale of copper. Therefore, the Company's future profitability will depend upon the world market prices of the copper for which it is exploring. The price of copper and other metals are affected by numerous factors beyond the Company's control, including levels of supply and demand, global or regional consumptive patterns, metal stock levels maintained by producers and others, including use of metal as collateral in financings, increased production due to new mine developments and improved mining and production

methods, speculative activities related to the sale of metals, availability and costs of metal substitutes.

Moreover, copper prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, copper as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration and any development and production activities, as well as on its ability to fund those activities. Additionally, the current COVID-19 pandemic and efforts to contain it, including restrictions on travel and other advisories issued may have a significant effect on copper prices.

Negative Cash Flow from Operating Activities

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

Going Concern Risk

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

Uncertainty of Use of Available Funds

Although the Company has set out its intended use of available funds in this Prospectus, these intended uses are estimates only and subject to change. While management does not contemplate any material variation, management does retain broad discretion in the application of such funds. The failure by the Company to apply these funds effectively could have a material adverse effect on the Company's business, including the Company's ability to achieve its stated business objectives.

Reporting Issuer Status

On becoming a reporting issuer, the Company will be subject to reporting requirements under applicable securities law, the listing requirements of the CSE and other applicable securities rules and regulations. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly, and increase demand on existing systems and resources. Among other things, the Company will be required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Company's business and results of operations. The Company may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

Management of the Company expects that being a reporting issuer will make it more expensive to obtain and maintain director and officer liability insurance, and the Company may in the future be required to accept reduced coverage or incur substantially higher costs to obtain or maintain adequate coverage. This factor could also make it more difficult for the Company to retain qualified directors and executive officers.

Risks Associated with Acquisitions

If appropriate opportunities present themselves, the Company may acquire mineral claims, material interests in other mineral claims, and companies that the Company believes are strategic. The Company currently has no understandings, commitments or agreements with respect to any material acquisition, other than as described in this Prospectus, and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired Company or mineral claims into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition.

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including the price of copper on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, pandemics, epidemics or quarantine restrictions.

Infrastructure

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

Exploration operations depend on adequate infrastructure. In particular, reliable power sources, water supply, transportation and surface facilities are necessary to explore and develop mineral projects. Failure to adequately meet these infrastructure requirements or changes in the cost of such requirements could affect the Company's ability to carry out exploration and future development operations and could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Climate Change Risks

The Company acknowledges climate change as an international and community concern and it supports and endorses various initiatives for voluntary actions consistent with international initiatives on climate change. However, in addition to voluntary actions, governments are moving to introduce climate change legislation and treaties at the international, national, provincial and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, the Company expects that this could result in increased costs at some of its operations in the future.

The Company and the mining industry are facing continued geotechnical challenges, which could adversely impact the Company's production and profitability. Unanticipated adverse geotechnical and hydrological conditions, such as landslides, floods, seismic activity, droughts and pit wall failures, may occur in the future and such events may not be detected in advance. Geotechnical instabilities and adverse climatic conditions can be difficult to predict and are often affected by risks and hazards outside of the Company's control, such as severe weather and considerable rainfall. Geotechnical failures could result in limited or restricted access to mine sites, suspension of operations, government investigations, increased monitoring costs, remediation costs, loss of ore and other impacts, which could cause one or more of the Company's projects to be less profitable than currently anticipated and could result in a material adverse effect on the Company's business results of operations and financial position.

Melius' Operations Depend on Information Technology ("IT") Systems

Information systems and other technologies, including those related to the Company's financial and operational management, and its technical and environmental data, are an integral part of the Company's business activities. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyberattacks, as well as disruptions resulting from incidents such as cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, vandalism and theft. Melius' operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact Melius's reputation and results of operations. Although to date Melius has not experienced any material losses relating to cyber attacks or other information security breaches, there can be no assurance that Melius will not incur such losses in the future. Melius's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, Melius may be required to expend additional resources to continue to modify or enhance protectivemeasures or to investigate and remediate any security vulnerabilities.

Internal controls cannot provide absolute assurance with respect to the reliability of financial reporting and financial statement preparation

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

Risks Related to the Listing and the Company's Securities

No Established Market for Securities

It is proposed that the Common Shares will be listed on the CSE; however, there can be no assurance that such listing will be obtained and even if obtained, that an active and liquid market for the Common Shares will develop or be maintained and an investor may find it difficult to resell any securities of the Company. If a market does not develop or is not sustained, it may be difficult for investors to sell the Common Shares at an attractive price or at all. The Company cannot predict the prices at which the Common Shares will trade.

Speculative Nature of Investment Risk

An investment in the Company's securities carries a high degree of risk and should be considered as a speculative investment. The Company has no history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. An investment in the Company's securities may result in the loss of an investor's entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company.

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

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

Securities or Industry Analysts

The trading market for the Common Shares could be influenced by research and reports that industry and/or securities analysts may publish about the Company, its business, the market or its competitors. The Company does not have any control over these analysts and cannot assure that such analysts will cover the Company or provide favourable coverage. If any of the analysts who may cover the Company's business change their recommendation regarding the Company's stock adversely, or provide more favourable relative recommendations about its competitors, the stock price would likely decline. If any analysts who may cover the Company's business were to cease coverage or fail to regularly publish reports on the Company, it could lose visibility in the financial markets, which in turn could cause the stock price or trading volume to decline.

Price Volatility of Publicly Traded Securities

The Common Shares do not currently trade on any exchange or stock market and the Company has applied to list the Common Shares on the CSE. Securities of mineral exploration and development companies, have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in copper or other mineral prices or in our financial condition or results of operations. Other factors unrelated to our performance that may affect the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning our business may be limited if investment banks with research capabilities do not follow the Company; lessening in trading volume and general market interest in the Common Shares may affect an investor's ability to trade significant numbers of Shares; the size of our public float may limit the ability of some institutions to invest in the Common Shares; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect our long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. We may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

The fact that no market currently exists for the Common Shares may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares. The market price of the Common Shares is affected by many other variables which are not directly related to our success and are, therefore, not within our control. These include other developments that affect the market for all resource sector securities, the breadth of the public market for our Common Shares and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common Shares is expected to make the price of the Common Shares volatile in the future, which may result in losses to investors.

Dilution

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

Dividends

To date, the Company has not paid any dividends on its outstanding Common Shares. Any decision to pay dividends on the Common Shares of the Company will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions. See "*Dividend Policy*".

CSE Listing

It is proposed that the Common Shares will be listed on the CSE; however, there can be no assurance that such listing will be obtained. If listed in the future, the Company may fail to meet the continued listing requirements for the Common Shares to be listed on the CSE. If the CSE delists the Common Shares from trading on its exchange, the Company could face significant material adverse consequences, including: a limited availability of market quotations for the Common Shares; a determination the Common Shares are a "penny stock" which will require brokers trading in the Common Shares to more stringent rules and possibly resulting in a reduced level of trading activity in the secondary market for the Common Shares; a limited amount of news and analysts coverage for the Company; and a decreased ability to issue additional securities or obtain additional financing in the future.

PROMOTERS

Simon Quick is considered to be a promoter of the Company and took the initiative in organizing certain aspects of the business of the Company when the Company was initially formed. The following table sets out the number and percentage of each class of voting securities and equity securities of Melius beneficially owned, or controlled or directed, directly or indirectly by Simon Quick.

Designation of Class	Number of Securities	Percentage of Class
Common Shares	2,000,000	3.3%
Options	1,000,000	62.5%

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

To the Company's knowledge, there are no legal proceedings or regulatory actions material to the Company to which it is a party, or has been a party to, or of which any of its property is the subject matter of, or was the subject matter of, and no such proceedings or actions are known by the Company to be contemplated.

There have been no penalties or sanctions imposed against the Company by a court or regulatory authority, and the Company has not entered into any settlement agreements before any court relating to provincial or territorial securities legislation or with any securities regulatory authority, since its incorporation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed below, no director, executive officer or Shareholder that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the issued Common Shares, or any of their respective associates or affiliates, has any material interest, direct or indirect, in any transaction within the three years before the date of this Prospectus which has materially affected or is reasonably expected to materially affect the Company or any subsidiary of the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Company's auditors are Raymond Chabot Grant Thornton LPP, located at Tour de la Banque Nationale, 600, rue De La Gauchetière Ouest, bureau 2000 Montréal, QC H3B 4L8.

The registrar and transfer agent for the Common Shares is Endeavor Trust Corporation at its principal office in Suite 702, 777 Hornby Street, Vancouver, B.C. V6Z 1S4, Canada.

MATERIAL CONTRACTS

Except for material contracts entered into in the ordinary course of business, set out below are material contracts to which the Company or any of its subsidiaries are a party entered into prior to or since the date of incorporation of the Company and which still remain in effect and material to the Company. Copies of such material contracts will be filed with the Canadian securities regulatory authorities and will be available for review under the Company's profile on SEDAR at www.sedar.com.

- Puma Option Agreement; See "*Puma Option Agreement*"
- Transfer Agent Agreement; See "*Auditors, Transfer Agent and Registrar*"
- Escrow Agreement; See "*Escrow Agreement*"

EXPERTS

Name of Experts

The following are persons or companies whose profession or business gives authority to a statement made in this Prospectus as having prepared or certified a part of that document, report, or valuation described in this Prospectus:

- The Company's auditors for the financial statements included in this Prospectus, Raymond Chabot Grant Thornton LLP, in Montreal, QC, report that they are independent from the Company in accordance with the Code of Ethics of Chartered Professional Accountants of Quebec.

- Information of a scientific or technical nature in respect to the Chester Project is included in this Prospectus based on the Chester Technical Report, having an effective date of August 20, 2021 and prepared by Michael B. Dufresne, M.Sc., P. Geol., Geo, Stefan Kruse, Ph.D., P. Geo., and Anetta Banas, M.Sc., P. Geol., qualified persons in accordance with NI 43-101.

- Information of a scientific or technical nature in respect to the Turgeon Project is included in this Prospectus based on the Turgeon Technical Report, having an effective date of August 17, 2021 and prepared by Michael B. Dufresne, M.Sc., P. Geol., Geo, Stefan Kruse, Ph.D., P. Geo., and Fallon T. Clarke, B.Sc., P. Geo., qualified persons in accordance with NI 43-101.

No person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a part of this Prospectus, or prepared or certified a report or valuation described or included in this Prospectus, has received or shall receive or holds a direct or indirect interest in any securities or property of the Company.

STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

Canadian securities legislation requires that the following language appear in this Prospectus:

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

However, in light of the fact that this Prospectus is being filed to allow the Company to become a reporting issuer in Ontario, Alberta, British Columbia, and New Brunswick, and not in connection with an offering of securities, the Company believes that the remedies described in the foregoing paragraph are not applicable to the transactions described in this Prospectus.

SCHEDULE "A" – AUDITED FINANCIAL STATEMENTS OF THE COMPANY

Audited Consolidated financial statements for the initial 206-Day period ended October 31 ,2021

(See attached)

MELIUS METALS CORP.

FINANCIAL STATEMENTS

FOR THE INITIAL 206-DAY PERIOD ENDED OCTOBER 31, 2021

(EXPRESSED IN CANADIAN DOLLARS)

Raymond Chabot
Grant Thornton

Independent Auditor's Report

Raymond Chabot
Grant Thornton LLP
Suite 2000
National Bank Tower
600 De La Gauchetière Street West
Montréal, Quebec
H3B 4L8

T 514-878-2691

To the Shareholders of
Melius Metals Corp.

Opinion

We have audited the financial statements of Melius Metals Corp. (hereafter "the Company"), which comprise the statement of financial position as at October 31, 2021, and the statements of comprehensive loss, changes in equity and cash flows for the initial 206-day period then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2021, and its financial performance and its cash flows for the initial 206-day period then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to Note 1 to the financial statements, which indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Raymond Chabot Grant Thornton LLP[1]

Montréal
December 13, 2021

[1] CPA auditor, CA public accountancy permit no. A115879

MELIUS METALS CORP.
STATEMENT OF FINANCIAL POSITION
AS AT OCTOBER 31, 2021
(EXPRESSED IN CANADIAN DOLLARS)

	October 31, 2021
ASSETS	
Current	
Cash	$ 1,445,005
Subscriptions receivable	5,000
Prepaid expenses	7,703
	1,457,708
Exploration and evaluation assets (Note 4)	300,000
Total assets	$ 1,757,708
LIABILITIES	
Current	
Accounts payable and accrued liabilities	$ 129,522
Total liabilities	129,522
SHAREHOLDERS' EQUITY	
Share capital (Note 6)	2,300,000
Contributed surplus	27,073
Deficit	(698,887)
Total shareholders' equity	1,628,186
Total liabilities and shareholders' equity	$ 1,757,708

Nature and Going concern (Note 1)

Approved and authorized for issuance on behalf of the Board on December 13, 2021:

/s/ ""Bojan Krasic" Director

/s/ "Marc-Andre Lavoie" Director

MELIUS METALS CORP.
STATEMENT OF COMPREHENSIVE LOSS
FOR THE INITIAL 206 DAY-PERIOD ENDED OCTOBER 31, 2021
(EXPRESSED IN CANADIAN DOLLARS)

Expenses		
Consulting fees (Note 5)	$	426,000
Exploration and evaluation expenditure		134,567
Office expenses		1,276
Professional fees		16,500
Share-based payments (Note 6)		27,073
Regulatory fees		3,014
Travel expenditure		10,457
Loss on settlement of accounts payable to directors, President and a consultant		80,000
Net loss and comprehensive loss		(698,887)
Loss per share (basic and diluted)	$	(0.03)
Weighted average number of common shares outstanding		27,667,475

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

MELIUS METALS CORP.
STATEMENTS OF CHANGES IN EQUITY
FOR THE INITIAL 206-DAY PERIOD ENDED OCTOBER 31, 2021
(EXPRESSED IN CANADIAN DOLLARS)

	Common Shares				
	Number of Shares	Amount	Contributed Surplus	Deficit	Total
		$	$	$	$
Balance, April 8, 2021	**-**	**-**	**-**	**-**	**-**
Issuance of shares during the period (Note 6)	26,500,000	1,520,000	-	-	1,520,000
Shares issued for services	20,000,000	480,000	-	-	480,000
Shares issued for exploration and evaluation assets	6,000,000	300,000	-	-	300,000
Share-based payments	-	-	27,073	-	27,073
Net loss for the period	-	-	-	(698,887)	(698,887)
Balance, October 31, 2021	**52,500,000**	**2,300,000**	**27,073**	**(698,887)**	**1,628,186**

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

MELIUS METALS CORP.
STATEMENTS OF CASH FLOWS
FOR THE INTITIAL 206-DAY PERIOD ENDED OCTOBER 31, 2021
(EXPRESSED IN CANADIAN DOLLARS)

	For the initial 113-day period ended October 31, 2021
OPERATING ACTIVITIES	
Net loss for the period	$ (698,887)
Items not involving cash	
Consulting services	400,000
Share-based payments	27,073
Loss on settlement of accounts payable	80,000
Changes in working capital items	
Prepaid expenses	(7,703)
Accounts payable and accrued liabilities	129,522
Net cash used in operating activities	(69,995)
FINANCING ACTIVITIES	
Issuance of shares	1,515,000
Net cash provided by financing activities	1,515,000
Net Change in cash	1,445,005
Cash, April 8, 2021	-
Cash, end of the period	$ 1,445,005

SUPPLEMENTAL DISCLOSURE	
Shares issued for mineral properties	$ 300,000
Shares issued in settlement of accounts payable (Note 6)	480,000
Issuance of shares in exchange of subscriptions receivable	5,000

1. NATURE AND GOING CONCERN

Melius Metals Corp. (the "Company") was incorporated pursuant to the Ontario Business Corporations Act on April 8, 2021.

The address of the Company's corporate office and its principal place of business is 409 Leader Lane, Suite 409, Toronto, Ontario, M5E 0B2.

The principal business of the Company is the identification, evaluation and acquisition of mineral properties in Canada. During initial 206-day period ended October 31, 2021, the Company has been active in investigating the viability of the Company's mineral properties (the "Properties"). The Company has not yet determined whether any of the properties it owns may contain a mineral resource that may eventually be economically recoverable. The economic viability of the Properties will depend on the establishment of ore reserves, the confirmation of the Company's interest in the mineral claims and the ability of the Company to obtain the necessary financing to complete its development and place it into commercial production.

These financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future. The Company has incurred losses since its inception of $698,887 and has an accumulated deficit of $698,887 and working capital of $1,328,186 as at October 31, 2021. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future.

These factors give rise to a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. Such adjustments could be material.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements are prepared in accordance with accounting policies consistent with International Financial Reporting Standards ("IFRS") issued and in effect as at year end.

The financial statements were approved and authorized for issue by the Board of Directors on December 13, 2021.

b) Functional and presentation currency

The functional and presentation currency of the Company is the Canadian dollar.

c) Measurement basis

The financial statements have been prepared on the historical cost basis except for where IFRS requires recognition at fair value.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Significant accounting estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and may change if new information becomes available. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods if the revision affects both the current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical accounting estimates

i. Share-based payments
To estimate expenses for share-based payments, it is necessary to select an appropriate valuation model and obtain the inputs necessary for the valuation model chosen. The Company estimated the volatility of shares of similar companies and the expected life and the exercise period of warrants granted. The model used by the Company is the Black-Scholes valuation model (see note 6).

ii. Provisions and contingent liabilities
The judgment is used to determine whether a past event has created a liability that should be recorded in the financial statements or whether it should be presented as a contingent liability. Quantify these liabilities involves judgments and estimates.

These judgments and estimates are based on several factors, such as the nature of the claim or dispute, legal procedures and the potential amount to be paid, legal advice obtained and the likelihood of the realization of a loss.

Critical accounting judgments

i. Going concern
The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets its liabilities for the ensuing year and to fund planned and contractual exploration and evaluation programs, involves judgments including expectation of future events that are believed to be reasonable under the circumstances.

ii. Impairment of Exploration and evaluation Assets

Exploration and evaluation assets shall be assessed for an impairment test when facts and circumstances suggest that their carrying amount may exceed recoverable amount. To determine Indications of impairment of exploration and evaluation assets require significant judgment. Management considers various factors including, but are not limited to, financial and human resources available, exploration budgets planned, importance and results of exploration work done previously, industry and economic trends and price of minerals.

iii. The determination of whether it is likely that future taxable profits will be available to utilize against any deferred tax assets.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Mining Properties Options Agreements

Options on interests in mining properties acquired by the Company are recorded at the value of the consideration paid but excluding the commitment for future expenditures, Commitment for future expenditures does not meet the definition of a liability and thus are not accounted for immediately. Expenditures are accounted for only when incurred by the Company.

When the Company sells interest in a mining property, if any, it uses the carrying amount of the interest before the sale of the option as the carrying amount for the portion of the property retained and credits any cash consideration received against the carrying of this portion (any excess is recognized as a gain in profit or loss).

c) Exploration and evaluation assets

Exploration and evaluation expenditures are costs incurred in the course of initial search for mineral deposits with economic potential. Costs incurred before the legal right to undertake exploration and evaluation activities has been obtained are recognized in profit or loss as incurred, if any. The cost of acquiring licenses and other expenditures associated with the acquisition of exploration and evaluation assets (including option payments) are capitalized on a property-by-property basis and are carried at cost less accumulated impairment losses, if any. No amortization expense is recognized on these assets during the exploration and evaluation period. Other exploration and evaluation expenditures are expensed as incurred. Once a project has been established as commercially viable and technically feasible, the related accumulated capitalized costs are reclassified as tangible assets and subsequent development expenditures are capitalized. An impairment test is performed before reclassification and any impairment loss is then recognized in profit or loss. Whenever a mining property is no longer viable or is abandoned, the capitalized amounts are written-down to their net recoverable amounts with the related charge recognized in profit or loss.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in Mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit or loss before reclassification.

To date, neither the technical feasibility nor the commercial viability of extracting a mineral resource has been demonstrated.

d) Impairment of exploration and evaluation assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or cash-generating unit is reviewed for impairment.

Impairment reviews for exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a potential single cash-generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Impairment of exploration and evaluation assets (continued)

- the right to explore the areas has expired or will expire in the near future with no expectation of renewal.
- no further exploration or evaluation expenditures in the area are planned or budgeted;
- no commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area;
- sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are tested for impairment before these items are transferred to property and equipment.

An impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

An impairment charge is reversed if the assets or cash-generating unit's recoverable amount exceeds its carrying amount.

e) Provisions, contingent liabilities and contingent assets

Provisions are recognized when present legal or constructive obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes, decommissioning, restoration and similar liabilities, or onerous contracts.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted when the time value of money is significant.

The Company's operations are governed by government environment protection legislation. Environmental consequences are difficult to identify in terms of amounts, timetable and impact. As of the reporting date, management believes that the Company's operations are in compliance with current laws and regulations. Site restoration costs currently incurred are negligible, given that the Company's operations are still in the exploration and evaluation stage. When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated, a restoration provision will be recognized in the cost of the mining property when there is constructive commitment that has resulted from past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be measured with sufficient reliability.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized, unless it was assumed in the course of a business combination.

As at October 31, 2021, the Company had no contingent liabilities and therefore no provision was recorded in the financial statements. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Basic and diluted loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share is calculated by adjusting loss attributable to common shareholders of the Company, and the weighted average number of common shares outstanding, for the effects of all dilutive potential common shares which include performance warrants. Dilutive potential common shares are deemed to have been converted into common shares at the average market price at the beginning of the period or, if later, at the date of issue of the potential common shares.

The diluted loss per share is equal to the basic loss per share given the anti-dilutive effect of the outstanding performance warrants.

g) Income taxes

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

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

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

h) Financial instruments

(i) Recognition and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Financial instruments (continued)

i) Classification

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

(ii) *Measurement*

Financial assets at FVTOCI
Financial assets at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss). There are no financial assets classified in this category.

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value adjusted for transaction costs, and subsequently carried at amortized cost less any impairment. The Company's cash, subscription receivable and accounts payable and accrued liabilities fall into this category of financial instruments.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs expensed in the statements of income (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 income (loss) in the period in which they arise. The Company has no financial assets and has no financial liabilities classified in this category.

(iii) Impairment of financial assets at amortized cost

IFRS 9's impairment requirements use more forward-looking information to recognize expected credit losses – the expected credit loss (ECL) model'. Instruments within the scope of the requirements included subscription receivables.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead, the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Share capital

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs.

If shares are issued following the exercise of warrants, this account also includes the charge previously accounted to the warrants. Furthermore, if shares are issued following the acquisition of mining property or other non-financial assets, shares are valued at fair value of mining property on the day the agreement was concluded.

k) Other elements of equity

Contributed surplus includes compensation expense related to warrants not exercised and expired.

Deficit includes all current retained losses.

l) Segment reporting

The Company presents and discloses segment information based on information that is regularly reviewed by the chief operating decision-maker, i.e., the President and the Board of Directors.

The Company has only one operating segment which consist in the mining activities. All non-current assets are in Canada.

m) New standards, interpretations and amendments

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company's financial statements.

4. EXPLORATION AND EVALUATION ASSETS

On June 30, 2021, the Company entered into an Option Agreement ("Option Agreement") with Puma Exploration Inc. ("Puma"), a Company listed on the TSX-V under the ticker PUMA. The Company is granted an option to acquire 100% of the following exploration projects (Collectively, the "Puma Projects"):

Mineral interests – acquisition costs:

	October 31, 2021 $
Turgeon project	
Turgeon property 1813	102,868
Turgeon Sud property 5594	29,748
Murray Brook Project	
Murray Brook West project 7846	23,447
Chester Project	
Chester property 1571	53,955
Chester EAB property 6003	18,771
Big Sveogle River property 9026	270
Chester West property 9036	1,045
South Big Sevogle River property 9886-	-
Big Sevvogle River property 7045	647
Legacy Project	
Legacy Group property 5443	39,920
McKenzie Gulch property 6202	14,768
Brunswick Cards Project	
Little North Sevogle property or Brunswick Cards West 9300	2,965
North Sevogle property or Brunswick Cards East 9302	11,596
Total	300,000

Mineral Interests

Under the terms of the Option Agreement dated on June 30, 2021, as amended on November 19, 2021, the Company can acquire 100% interest in the Puma Projects located in New Brunswick and are subject to and conditional upon all of the following conditions being satisfied:

- Issue 6,000,000 common shares on the execution date (issued on June 30, 2021 for a fair value of $300,000);
- the Company will cover all the legal fees and disbursements required for Puma to complete a virtual extraordinary meeting of its shareholders to approve a capital reduction of up to $2,100,000.
- The successful completion by the Company of one of more equity offerings by way of private placements for aggregate gross proceeds of at least $2,250,000, following which at least 58,000,000 Company Shares will be issued and outstanding;
- $100,000 in cash (paid on November 22, 2021) and incur $500,000 in exploration and evaluation work on Legacy Project and Brunswick Card Project no later than January 17, 2022.
- Issue 6,000,000 common shares on the day the Company is listed on the CSE, no later than March 1, 2022 [(1)];
- $300,000 in cash or common shares, on or before June 30, 2022*;
- $1,000,000 in cash or common shares on or before June 30, 2023*; and,
- $1,000,000 in cash or common shares on or before June 30, 2024*.

* These installments are payable in common stock or cash, at the option of the Company.
[(1)] If the event that the Company is not listed no later than April 30, 2022, then the option and the option agreement will be automatically terminated.

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Royalties:

The Puma Projects are subject to the following NSR Royalties:

Title	Royalty
Brunswick Card West	The Brunswick Card Project is subject to a 2% NSR royalty, half of which can be bought back by the Company for $1,000,000, with the Company retaining a right of first refusal on the remaining royalty
Brunswick Card East	The Brunswick Card Project is subject to a 2% NSR royalty, half of which can be bought back by the Company for $1,000,000, with the Company retaining a right of first refusal on the remaining royalty.
Murray Brook	The Murray Brook Project is subject to a 2% NSR royalty, half of which can be bought back by the Company for $1,000,000, with the Company retaining a right of first refusal on the remaining royalty.
Legacy Project	The Legacy Project is subject to a 2% NSR, half of which can be bought back by the Company for $500,000. ("Legacy Royalties")
Turgeon Project	The Turgeon Project is subject to a 2% NSR royalty on gold and silver and 1% NSR on any other saleable production, half of which can be bought back by the Company for $500,000.

The Chester Project is subject to the following royalty:

Title	Royalty
Chester Royalty	The Chester Royalty is subject to a 2% NSR royalty, half of which can be bought back by the Company for $1,000,000.
Chester EAB Royalty	The Chester EAB Royalty is subject to a 2% NSR royalty, half of which can be bought back by the Company for $1,000,000.
Big Sevogle Royalty	The Big Sevogle Royalty (7045) is subject to a 2% NSR royalty, half of which can be bought back by the Company for $1,000,000.
Big Sevogle Royalty	The Big Sevogle Royalty (9026) is subject to a 2% NSR royalty, half of which can be bought back by the Company for $1,000,000.
Ross Royalty	The Ross Royalty is subject to a 2% NSR royalty, half of which can be bought back by the Company for $900,000, with a right of first refusal on the remaining royalty.
Brook Royalty	The Brook Royalty is subject to a 1% NSR royalty, which can be bought back for $1,000,000.
Northeast Royalty	The Northeast Royalty is subject to a 1% NSR royalty, which half can be bought back for $500,000.
Granges Royalty	The Granges Royalty is subject to a 1% NSR royalty, which half can be bought back for $500,000.

5. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Key management includes current directors and President of the Company, the remuneration of key management personnel during the initial 206-day period ended October 31, 2021 is summarized below:

		October 31, 2021 (206-day period)
Consulting fees to the president of the Company	$	100,000
Consulting fees to directors of the Company		213,000
Total	$	313,000

As at October 31, 2021, the Company owed to Directors $13,000 recorded in accounts payable and accrued liabilities to related parties.
These transactions took place in the normal course of business.

6. SHARE CAPITAL

Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

Issued and outstanding:

As at October 31, 2021, the issued share capital is comprised of 52,500,000 common shares.

On May 3, 2021, the Company issued 4,000,000 common shares at a price of $0.005 per share for gross proceeds of $20,000.

On May 13, 2021, the Company issued 20,000,000 common shares at $0.024 per share in settlement of accounts payable to the directors, President and a consultant of the Company. The settlement of those accounts payable have been recorded at the fair value of the common shares issued on the day of settlements, i.e. $0,024 per share for a total consideration of $480,000 and the difference between the fair value of the shares issued and the amount of accounts payable of $400,000 was recorded at the date of settlement in the statements of loss as loss on accounts payable settlement to Directors, President and a consultant.

On June 30, 2021, the Company issued 6,000,000 common shares at a price of $0.05 per share pursuant to the terms of an option agreement (Note 4) with a fair value of 300,000.

On September 8, 2021, the Company issued 15,000,000 common shares at a price of $0.05 per share for gross proceeds of $750,000.

On October 28, 2021, the Company issued 7,500,000 common shares at a price of $0.10 per share for gross proceeds of $750,000.

No issuance cost has been incurred in those common shares.

6. SHARE CAPITAL (CONTINUED)

Performance Warrants

A summary of the Company's warrants are as follows:

	Number of performance warrants issued and exercisable	Weighted Average Exercise Price ($)
Balance, April 8, 2021	-	-
Issued	2,500,000	0,02
Outstanding and exercisable, October 31, 2021	2,500,000	0,02

On May 13, 2021, the Company issued 2,500,000 performance warrants that vested upon the successful completion of a private placement raising gross proceeds of $750,000. The performance warrants expire five years from the date of issuance and is exercisable at a $0.02.

The weighted average fair value of the Performance Warrants granted is $0.011 was estimated using the Black Scholes Option Pricing Model and based on the following assumptions: Share price - $0.02; Exercise price - $0.02; expected life – 5 years, volatility – 65% and risk-free rate of $0.76%.

The Company estimated the volatility of shares of similar companies and the expected life and the exercise period of warrants granted.

7. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

Combined statutory tax rate	26.5 %
Income tax recovery at combined statutory rate	185,205
Permanent differences and other	(23,205)
Change in unrecognized tax benefits	(162,000)
Deferred income tax recovery	-

The tax effects of deductible and taxable temporary differences that give rise to the Company's deferred tax assets and liabilities are as follows:

Non-capital loss carry forwards	457,247
Exploration and evaluation assets	156,295
Total gross deferred income tax assets	613,542
Deferred tax assets not recognized	(613,542)
Net deferred income tax assets (liabilities)	-

As at October 31, the Company had $ 457,247 of non-capital loss carry forwards available to reduce taxable income for future years. These losses expire in 2041.

8. MANAGEMENT OF CAPITAL

The Company defines capital as all accounts in equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern.

As at October 31, 2021, the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company will continue to rely on capital markets to support continued growth. The Company is not subject to any externally imposed capital requirement.

9. FINANCIAL INSTRUMENT AND FINANCIAL RISK

The Company's financial instruments include cash, subscription receivable, accounts payable and accrued liabilities. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Fair value of financial instruments

IFRS 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at October 31, 2021, there are no Company's financial assets measured at fair value.

Financial risk management objectives and policies:

The Company's financial instruments include cash, amounts receivable and accounts payable and accrued liabilities. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(i) *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk on cash, the Company places the instrument with a high credit quality financial institution.

(ii) *Liquidity risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has financing sources such as private placements for a sufficient amount.

9. FINANCIAL INSTRUMENT AND FINANCIAL RISK (CONTINUED)

(iii) *Liquidity risk (continued)*

Contractual maturities of accounts payable and accrued liabilities are less than one year.

In the current period, the Company has financed its acquisitions of exploration and evaluation assets and working capital needs through private financings consisting of issuance of common shares. Management estimates that the cash as at October 31, 2021 will not be sufficient to meet the Company's needs for cash during the coming year (see Note 1).

SCHEDULE "B" – MD&A OF THE COMPANY

Management's discussion and analysis for the initial 206-Day period ended October 31 ,2021

(See attached)

MELIUS METALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the initial 206-day period ended October 31, 2021

Date of this report and forward-looking statements

This management's discussion and analysis ("MD&A") of Melius Metals Corp. (the "Company") has been prepared by management as of December 15, 2021 and should be read in conjunction with the Company's audited financial statements and accompanying notes for the year ended October 31, 2021, (the "Financial Statements")., which have been prepared and reported in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC").

Our Financial Statements and the management's discussion and analysis are intended to provide a reasonable basis for the investor to evaluate our financial situation.

All dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

The Board of Directors of the Company have approved this document.

Where we say "we", "us", "our", the "Company" or "Melius Metals", we mean Melius Metals Corp.

These documents, and additional information relating to the Company, are available for viewing under the Company's profile at www.sedar.com.

Certain statements in this document constitute "forward-looking statements" and are based on current expectations and involve risks and uncertainties, referred to above and or in the Company's financial statements for the 206-day period ended October 31, 2021, that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in the forward-looking statements. Examples of such forward looking statements include statements regarding financial results and expectations for 2022, future anticipated results of exploration programs and development programs, including, but not limited to, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, metal prices, demand for metals, currency exchange rates, political and operational risks inherent in mining or development activities, legislative factors relating to prices, taxes, royalties, land use, title and permits, importing and exporting of minerals, environmental protection, expenditures on property, plant and equipment, increases and decreases in reserves and/or resources and anticipated grades and recovery rates and are or may be based on assumptions and/or estimates related to future economic, market and other conditions. This list is not exhaustive and should be considered carefully by prospective investors, who should not place undue reliance on such forward-looking statements. Factors that could cause actual results, developments or events to differ materially from those anticipated include, among others, the factors described or referred to elsewhere herein including, without limitation, under the heading "Risks and Uncertainties" and/or the financial statements, and include unanticipated and/or unusual events as well as actual results of planned exploration and development programs and associated risk. Many of such factors are beyond the Company's ability to control or predict. Actual results may differ materially from those anticipated. Readers of this MD&A are cautioned not to put undue reliance on forward looking statements due to their inherent uncertainty. Forward-looking statements are made based upon management's beliefs, estimates and opinions on the date the statements are made, which management believes are reasonable, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law. These forward-looking statements should not be relied upon as representing management's views as of any date subsequent to the date of this MD&A. Additional information, including interim and annual financial statements, the management information circulars and other disclosure documents, may also be examined and/or obtained through the Internet by accessing the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com.

The Company undertakes no obligation to publicly update or review the forward-looking statements whether as a result of new information, future events or otherwise.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

OVERVIEW AND DESCRIPTION OF BUSINESS

Melius Metals Corp. (the "Company") was incorporated pursuant to the Ontario Business Corporations Act on April 8, 2021. The address of the Company's corporate office and its principal place of business is 22 Leader Lane, Suite 409, Toronto, Ontario, M5E 0B2. The principal business of the Company is the identification, evaluation and acquisition of mineral properties in Canada. During initial 206-day period ended October 31, 2021, the Company has been active in investigating the viability of the Company's mineral properties (the "Properties"). The Company has not yet determined whether any of the properties it owns may contain a mineral resource that may eventually be economically recoverable. The economic viability of the Properties will depend on the establishment of ore reserves, obtaining all necessary government and other relevant agency development and operating permit approvals, the confirmation of the Company's interest in the mineral claims, and the ability of the Company to obtain the necessary financing to complete its development and place it into commercial production.

The Company has its administration office and registered records office at Suite 810 – 789 West Pender Street, Vancouver, BC, V6C 1H2, Canada.

As at October 31, 2021, the Company had no source of revenue, had a working capital of $1,328,186 and an accumulated deficit of $698,887. The ability of the Company to continue as a going concern depends upon its ability to identify, evaluate, develop, and or negotiate an acquisition of a viable project and to continue to raise adequate financing and attain or develop future profitable operations. Management is continually targeting sources of additional financing through alliances with financial, exploration and mining entities, or other businesses to ensure continuation of the Company's operations and exploration programs. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. While this has been successful in the past, there is no assurance that such financing will be available in the future.

OVERALL PERFORMANCE

Financings:

During the 206-day period ended October 31, 2021, the Company issued 6,000,000 common shares at a fair value of $0.05 per share, with a fair value of 300,000, pursuant to the terms of an option agreement to obtain the portfolio of Puma's Copper Projects located in New Brunswick.

On May 13, 2021, the Company issued 20,000,000 common shares at $0.024 per share in settlement of accounts payable to the directors, President and a consultant of the Company. The settlement of those accounts payable have been recorded at the fair value of the common shares issued on the day of settlements, i.e. $0,024 per share for a total consideration of $480,000 and the difference between the fair value of the shares issued and the amount of accounts payable of $400,000 was recorded at the date of settlement in the statements of loss as loss on accounts payable settlement to Directors, President and a consultant.

During the 206-day period ended October 31, 2021, the Company issued 26,500,000 common shares at prices ranging from $0.005 to $0.10 per share, for gross proceeds of $1,520,000.

Cash Flow Analysis

Operating Activities
During the 206-day period ended October 31, 2021 cash used in operating activities was $69,995. The increase is primarily due to activities as described under discussion of operations and decreased financing of amounts payable and accrued liabilities and increased financing of receivable and prepaid expenses.

OVERALL PERFORMANCE (continued)

Cash Flow Analysis (continued)

Investing Activities
During the 206-day period ended October 31, 2021, the Company did not use any cash for investing activities.

Financing Activities
During the 206-day period ended October 31, 2021, the Company issued 26,500,000 common shares at prices ranging from $0.005 to $0.10 per share, for net proceeds of $1,515,000.

Corporate Highlights

Puma Option Agreement

On June 30, 2021, the Company entered into an Option Agreement ("Option Agreement") with Puma Exploration Inc. ("Puma"), a Company listed on the TSX-V under the ticker PUMA. The Company is granted an option to acquire 100% of the following exploration projects (collectively, the "Puma Projects" or "Puma Properties").

Under the terms of the Option Agreement dated on June 30, 2021, as amended on November 19, 2021, the Company can acquire 100% interest in the Puma Projects located in New Brunswick and are subject to and certain conditions being satisfied, as set out in note 4 of the audited financial statements for the 206-day period ended October 31 2021.

The Puma Properties consist of thirteen claims. The current focus of the Company is on the Chester Project ("Chester") with the objective to expand its existing 100,000,000 lbs Cu historical resource estimate. The Company will complete an approximate 2,000 meter, 40-hole drill program on the property by end of 2021 calendar year. The objective of this program is to 1) validate the historic resource and geologic model at Chester, 2) test resource gaps between the Central and East Zone, and 3) test for presence of gold and silver mineralization given the historic resource did not assay for these metals. This, alongside the work program of $500,000, and the $100,000 payment to PUMA that is scheduled for year-end of 2021, results in a remaining capital obligation to Puma Exploration from the Company totaling $2.3 million in share equivalent payments over the next three years.

The Company has sourced and secured an experienced drilling logistics and geologic management consulting to conduct this drill program. Work on the Chester Project has commenced as at the timing of this MD&A.

QUALIFIED PERSON STATEMENT

All scientific and technical information contained in this MD&A was prepared and approved by, Mike Dufresne - P.Geo., who is a Qualified Person as defined in NI 43-101.

SELECTED ANNUAL INFORMATION FOR THE PAST THREE YEARS

Melius Metals Corp. (the "Company") was incorporated pursuant to the Ontario Business Corporations Act on April 8, 2021.

The following table summarizes selected financial data for the Company for the 206-day period ended October 31, 2021. The information set forth below should be read in conjunction with the Financial Statements. Financial Statements for the 206-day period ended October 31, 2021 presented are prepared in accordance with IFRS.

Fiscal 206-day period ended	October 31, 2021 $
Total revenue	-
Total current assets	**1,457,708**
Total assets	**1,757,708**
Total non-current liabilities	-
Total liabilities	**129,522**
Net loss for the 206-day period	**(698,887)**
Basic and diluted loss per share	**(0.03)**

For the 206-day period ended October 31, 2021 total assets increased to $1,757,708 mainly due to the issuing of shares and the acquisition of the Puma Projects. The net loss for the 206-day period increased during the 206-day ended October 31, 2021 mainly due to the increase in exploration and evaluation expenses, which was spent on the Company's projects and for consulting fees.

Results of Operations

The Company recorded total expenses of $698,887 for the 206-day period ended October 31, 2021. These expenses include exploration expenses of $134,567 and a non-cash stock-based compensation expense of $27,073. The Company recorded total expenses of $239,137 for the three months ended October 31, 2021. Some of the significant charges to operations were as follows:

- Prospecting and trenching activities were performed on certain properties to meet province of New Brunswick claim requirements in order to maintain their good standing.
- The Company continued NI 43-101. technical reports totaling $45,523.
- The overall increase in exploration and related activities was deemed necessary by management and its advisors to advance the Properties.
- Consulting fees of $426,000 relates to amounts paid to directors, president and a consultant to help the Company achieve its goals on all facets of the business. The increase by $426,000 relates to increased payments made to consultants supporting the Company with strategic planning, targeting potential properties, and relationship building with industry partners ahead of financing requirements.
- Filing fees of $3,014 relates mainly to the Company's payments to the transfer agent and activity in the market.
- Professional fees increase to $16,500 as the Company increased activity and focus on the development of its properties.
- Share-based compensation of $27,073 correlate to the issuance of 2,500,000 performance warrants at an exercise price of $0.02 per performance warrant for five years as an incentive to consultants.

Results of Operations (continued)

Exploration and Evaluation Expenditures

The Company incurred exploration and evaluation expenditures for the 206-day period ended October 31, 2021

During the 206-day period ended October 31, 2021, the Company spent $134,567 Geological exploration expenditures on the Puma Projects.

Summary of Quarterly Results

The following table represents a summary of the company's quarterly results for the past 206-days periods ending October 31, 2021.

	Quarters ended			
			31-Oct 2021 $	**31-July 2021 $**
Interest revenue			-	-
Net loss			(239,137)	(459,750)
Loss per share, basic and diluted			0.01	0.01
Total comprehensive loss			(239,137)	(459,750)
Per share, basic and diluted			0.01	0.01
Total assets			1,757,708	320,000
Total liabilities			129,522	32,677
Shareholders' equity			2,327,073	747,073
Deficit			(698,887)	(459,750)
Cash dividends per share			NIL	NIL

Fluctuations in assets are mostly due to cash being used in operational activities.

During the quarter ending October 31, 2021 the total assets increased compared to the previous quarter due to the issuance of 22,500,000 shares at prices ranging from $0.05 to $0.10 and the acquisition of the Puma Propertes. The loss decreased compared to the same quarter during the prior quarter, mainly due to the decreased spending on consulting. The Shareholders' equity also increased due to the financing activities that took place during the fourth quarter compared to the previous quarter.

Financings, Liquidity and Working Capital and Capital Resources

The financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise exploration and development programs depending on its working capital position.

As at October 31, 2021, the Company had no source of revenue, had a working capital of $1,328,186 and an accumulated deficit of $698,887. Current liabilities are $129,522.

Financings, Liquidity and Working Capital and Capital Resources (continued)

As at October 31, 2021, other than the above-mentioned current liabilities, the Company had no short-term capital spending requirements and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings.

Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company's future revenues, if any, are expected to be from the mining and sale of mineral products or interests related there to. The economics of developing and producing mineral products are affected by many factors including the cost of operations, variations in the grade of ore mined, and the price of metals. Depending on the price of metals, the Company may determine that it is impractical to continue commercial production. The price of metals has fluctuated widely in recent years and is affected by many factors beyond the Company's control including changes in international investment patterns and monetary systems, economic growth rates, political developments, the extent of sales or accumulation of reserves by governments, and shifts in private supplies of and demands for metals. The supply of metals consists of a combination of mine production, recycled material, and existing stocks held by governments, producers, financial institutions and consumers. If the market price for metals falls below the Company's full production costs and remains at such levels for any sustained period of time, the Company will experience losses and may decide to discontinue operations or development of other projects or mining at one or more of its properties at that time.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Directors and Officers

The Directors and Executive Officers of the Company are as follows:

Bojan Krasic	Director President and secretary
Jessica Patterson	Director
Jean-Francois Perras	Director
Marc-André Lavoie	Director
Milos Masnikosa	Vice President Finance

Transactions with Related Parties

During the 206-day period ended October 31, 2021, the Company entered into the following transactions with related parties and incurred payments to key management personnel, which were in the normal course of operations.

	October 31, 2021 (206-day Period) $
Consulting fees to the president of the Company	**100,000**
Consulting fees to directors of the Company	**213,000**
	313,000

As at October 31, 2021, the Company owed to Directors $13,000 recorded in accounts payable and accrued liabilities to related parties.
These transactions took place in the normal course of business.

Fourth quarter results

During the fourth quarter of 2021, the Company recorded total expenses of $239,137 for the three-month period ended October 31, 2021. Some of the significant charges to operations are as follows:

- Prospecting and related evaluation expenses of $134,567 relates Company's Puma Properties.
- The Company continued NI 43-101. technical reports totaling $45,523.
- Professional fees of $12,500 was recorded mainly as accounting and audit fees.
- Loss on settlement of accounts payable to directors, president and a consultant of $80,000 was recorded.
- Travel expenses of $7,780 was recorded for travelling
- Regulatory fees of $3,014 was recorded as payment to the transfer agent.
- The Company also recorded $1,276 as office expenses.

Proposed transactions

There is no material proposed transactions to report on.

Critical accounting estimates

i. Share-based payments

To estimate expenses for share-based payments, it is necessary to select an appropriate valuation model and obtain the inputs necessary for the valuation model chosen. The Company estimated the volatility of shares of similar companies and the expected life and the exercise period of warrants granted. The model used by the Company is the Black-Scholes valuation model.

ii. Provisions and contingent liabilities

The judgment is used to determine whether a past event has created a liability that should be recorded in the financial statements or whether it should be presented as a contingent liability. Quantify these liabilities involves judgments and estimates.

These judgments and estimates are based on several factors, such as the nature of the claim or dispute, legal procedures and the potential amount to be paid, legal advice obtained and the likelihood of the realization of a loss.

Significant accounting judgments

i. Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets its liabilities for the ensuing year and to fund planned and contractual exploration and evaluation programs, involves judgments including expectation of future events that are believed to be reasonable under the circumstances.

ii. Impairment of Exploration and evaluation Assets

Exploration and evaluation assets shall be assessed for an impairment test when facts and circumstances suggest that their carrying amount may exceed recoverable amount. To determine indications of impairment of exploration and evaluation assets require significant judgment. Management considers various factors including, but are not limited to, financial and human resources available, exploration budgets planned, importance and results of exploration work done previously, industry and economic trends and price of minerals.

iii. the determination of whether it is likely that future taxable profits will be available to utilize against any deferred tax assets

Financial Instruments and Other Instruments

As at October 31, 2021, the Company's financial instruments consists of cash and accounts payable. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant credit, liquidity or market risks arising from these financial instruments. The risk exposure is summarized as follows:

The risk exposure is summarized as follows:

a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on the cash balance at the bank. The majority of the Company cash is held in Canadian based banking institutions, authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation. As such, management has determined credit risk to be low.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to settle obligations and liabilities when due. As at October 31, 2021, the Company had a cash balance of $1,445,005 to settle current liabilities of $129,522 which mainly consists of account payables that are considered short term and normally settled within 30 days.

c) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's cash does not attract interest. The interest of Canadian banking rates, are at present low.

Financial Instruments and Other Instruments (Continued)

c) Market risk (continued)

A change of 100 basis points in the interest rates would not be material to the financial statements. The Company does not have any liabilities with variable interest rates. As such, management has determined interest rate risk to be low.

(ii) Foreign currency risk

The Company's financial assets and liabilities are not exposed to foreign currency risk.

(iii) Price risk

The Company is not subject to significant price risk.

d) Fair value

The Company's financial instruments include cash, subscription receivable, accounts payable and accrued liabilities. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. Financial assets and liabilities recognized at fair value must be classified in one of the following three fair value hierarchy levels:

- 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.

Cash is treated as a financial asset, while liabilities are amortized at cost value. .

Other Requirements

Outstanding Share Data

As at the date of this MD&A, the Company had the following outstanding securities data:

Securities	Number	Exercise Price	Expiry Date
Common shares	52,500,000	N/A	N/A
Warrants issued	2,500,000	$0.02	May 13, 2026

Copies of all previously published and subsequent financial statements, MD&As, meeting materials, press releases, etc. are available under the Company's profile on the SEDAR website at www.sedar.com.

The Company, as a "non-Reporting issuer", is not required to prepare an Annual Information Form ("AIF") at this stage.

RISKS AND UNCERTAINTIES

Early Stage – Need for Additional Funds

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations. The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable, especially in today's volatile and uncertain financial markets. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Exploration and Development

Exploration for minerals is a speculative venture involving substantial risk. There is no certainty that the expenditures made by the Company and/or its subsidiaries will result in discoveries of commercial metal reserves.

Mining and development risks always accompany anticipated rewards, and uncertainties always exist where mineral properties are concerned. Uncertainties include the size, grade and recovery of naturally occurring mineral deposits. Although exploration and development efforts can outline a mineral deposit with a degree of certainty, ultimate grade and tonnages are never fully known until mining has been completed. Metal prices are also a significant factor in the development decision for a mineral property, as a mine may not be economically feasible in a period of depressed prices. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Pricing is affected by numerous factors such as international economic and political trends, global or regional consumption and demand patterns, and increased production by current producers.

Operating Hazards and Risks

Mining operations involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of metals, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Foreign Country and Political Risk

The Company might from time to time pursue mineral properties in unstable political or economic countries. The Company would be subject to certain risks, including currency fluctuations and possible political or economic instability in certain jurisdictions, which may result in the impairment or loss of mineral concessions or other mineral rights. Mineral exploration and mining activities may be affected in varying degrees by political instability and government regulations relating to the mining industry. Any changes in regulations or shifts in political attitudes may also adversely affect the Company's business. Exploration may be affected in varying degrees by government regulations with respect to restrictions on future exploitation and production, price controls, export controls, foreign exchange controls, income taxes, expropriation of property, environmental legislation and mine and/or site safety. The Company does not presently own/pursue foreign exploration projects.

RISKS AND UNCERTAINTIES (CONT'D)

Exploration and Development (Cont'd)

Title Risks

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

Environmental Regulations, Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health and safety, waste disposal, and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in impositions of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a direction of stricter standards, and enforcement, and higher fines and penalties for non-responsibility for companies including its directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability for the Company and its directors, officers and employees. The Company intends to fully comply with all environmental regulations.

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

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

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party, and it may have its interest in the properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

RISKS AND UNCERTAINTIES (CONT'D)

Price Volatility of Public Stock

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early-stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on a stock exchange may be affected by such volatility.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of Interest

The Company's directors and officers may serve as directors and officers or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the *Business Corporations Act* (British Columbia) ("Corporations Act") in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the board, disclose his interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

ADDITIONAL DISCLOSURE FOR A REPORTING ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and exploration and evaluation costs is provided in the Company's statement of loss and note disclosures contained in its audited annual financial statements for the 206-day period ended October 31, 2021. These statements are available on SEDAR - Site accessed through www.sedar.com.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant.

SCHEDULE "C" – AUDIT COMMITTEE CHARTER

(See attached)

Melius Metals Corp.

AUDIT COMMITTEE CHARTER

MELIUS METALS CORP.
(the "Corporation")

AUDIT COMMITTEE CHARTER

(Implemented pursuant to National Instrument 52-110 – *Audit Committees*)

National Instrument 52-110 – *Audit Committees* (the "**Instrument**") relating to the composition and function of audit committees was implemented for reporting issuers and, accordingly, applies to every Canadian Securities Exchange (the "**Exchange**") listed company, including the Corporation. The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Corporation wherein management solicits proxies from the security holders of the Corporation for the purpose of electing directors to the board of directors. The Corporation, as an Exchange listed company is, however, exempt from certain requirements of the Instrument.

This Charter has been adopted by the board of directors of the Corporation (the "**Board**") in order to comply with the Instrument and to more properly define the role of the Committee in the oversight of the financial reporting process of the Corporation. Nothing in this Charter is intended to restrict the ability of the Board or the Committee to alter or vary procedures in order to comply more fully with the Instrument or any other such requirement of the Exchange, as applicable from time to time.

PART 1

Purpose:

The purpose of the Committee is to:

(a) improve the quality of the Corporation's financial reporting;

(b) assist the Board to properly and fully discharge its responsibilities;

(c) provide an avenue of enhanced communication between the directors and external auditors;

(d) enhance the external auditor's independence;

(e) ensure the credibility and objectivity of financial reports; and

(f) strengthen the role of the directors by facilitating in depth discussions between directors, management and external auditors.

1.1 Definitions

"**accounting principles**" has the meaning ascribed to it in National Instrument 52-107 – *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

"**Affiliate**" means a Corporation that is a subsidiary of another Corporation or companies that are controlled by the same entity;

"**audit services**" means the professional services rendered by the Corporation's external auditor for the audit and review of the Corporation's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

"**Charter**" means this audit committee charter;

"**Committee**" means the Audit Committee established by and among certain members of the Board for the purpose of overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation;

"**Control Person**" means any individual or company that holds or is one of a combination of individuals or companies that holds a sufficient number of any of the securities of the Corporation so as to affect materially the control of the Corporation, or that holds more than 20% of the outstanding voting shares of the Corporation except where there is evidence showing that the holder of those securities does not materially affect the control of the Corporation;

"**financially literate**" has the meaning set forth in Section 1.2;

"**immediate family member**" means a person's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person's immediate family member) who shares the individual's home;

"**Instrument**" means National Instrument 52-110 – *Audit Committees*;

"**MD&A**" has the meaning ascribed to it in National Instrument 51-102;

"**Member**" means a member of the Committee;

"**National Instrument 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations*; and

"**non-audit services**" means services other than audit services.

1.2 Meaning of Financially Literate

For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

PART 2

2.1 Audit Committee

The Board has hereby established the Committee for, among other purposes, compliance with the Instrument.

2.2 Relationship with External Auditors and Other Parties

The Corporation will require its external auditor to report directly to the Committee and its Members shall ensure that such is the case.

Each Member shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Corporation from whom he or she receives information, and the accuracy of the information provided to the Corporation by such other persons or organizations.

2.3 Committee Responsibilities

1. The Committee shall be responsible for making the following recommendations to the Board of directors:

    (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and

    (b) the compensation of the external auditor.

2. The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:

    (a) reviewing the audit plan with management and the external auditor;

    (b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;

    (c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;

    (d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;

(e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtaining an explanation from management of all significant variances between comparative reporting periods;

(f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;

(g) reviewing interim unaudited financial statements before release to the public;

(h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report and management's discussion and analysis;

(i) reviewing the evaluation of internal controls by the external auditor, together with management's response;

(j) reviewing the terms of reference of the internal auditor, if any;

(k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses; and

(l) reviewing the appointments of the chief financial officer and any key financial executives involved in the financial reporting process, as applicable.

3. The Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the issuer's external auditor.

4. The Committee shall review the Corporation's financial statements, MD&A, and annual and interim earnings press releases before the Corporation publicly discloses this information.

5. The Committee shall ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and shall periodically assess the adequacy of those procedures.

6. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102, and the planned steps for an orderly transition.

7. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Instrument 51-102, on a routine basis, whether or not there is to be a change of auditor.

8. The Committee shall, as applicable, establish procedures for:

(a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and

(b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.

9. As applicable, the Committee shall establish, periodically review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.

10. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.

11. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles and applicable rules and regulations, each of which is the responsibility of management and the Corporation's external auditors.

2.4 *De Minimis* Non-Audit Services

The Committee shall satisfy the pre-approval requirement in subsection 2.3(3) if:

(a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent (5%) of the total amount of fees paid by the issuer and its subsidiary entities to the issuer's external auditor during the financial year in which the services are provided;

(b) the Corporation or the subsidiary of the Corporation, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and

(c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

2.5 Delegation of Pre-Approval Function

1. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3(3).

2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 2.5(1) must be presented to the Committee at its first scheduled meeting following such pre-approval.

PART 3

3.1 Composition

1. The Committee shall be composed of a minimum of three Members.

2. Every Member shall be a director of the issuer.

3. A majority of the Members shall not be employees, Control Persons or executive officers of the Corporation or any affiliate of the Corporation.

4. If practicable, given the composition of the Board, every Member shall be financially literate.

5. If practicable, given the composition of the Board, every Member shall be independent.

6. The Board shall appoint or re-appoint the Members after each annual meeting of shareholders of the Corporation.

PART 4

4.1 Authority

Until the replacement of this Charter, the Committee shall have the authority to:

(a) engage independent legal counsel and other advisors as it determines necessary to carry out its duties;

(b) set and pay the compensation for any advisors employed by the Committee;

(c) communicate directly with the internal and external auditors; and

(d) recommend the amendment or approval of audited and interim financial statements to the Board.

PART 5

5.1 Disclosure in Information Circular

If management of the Corporation solicits proxies from the security holders of the Corporation for the purpose of electing directors to the Board, the Corporation shall include in its management information circular the disclosure required by Form 52-110F2 (Disclosure by Venture Issuers).

PART 6

6.1 Meetings

1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.

2. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the Members.

3. Minutes shall be kept of all meetings of the Committee.

4. The quorum for meetings shall be a majority of the Members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and to hear each other. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present.

6.2 Currency of this Charter

This Charter was last approved by the Board on _____.

CERTIFICATE OF THE COMPANY

Dated: January 27, 2022

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of each of the provinces of Ontario, Alberta, British Columbia, and New Brunswick.

/s/ Simon Quick	***/s/ Jing Peng***
Simon Quick, Chief Executive Officer and Corporate Secretary	Jing Peng, Chief Financial Officer

On Behalf of the Board of Directors

/s/ Marcel Robillard	***/s/ André Tessier***
Marcel Robillard, Director	André Tessier, Director

CERTIFICATE OF THE PROMOTER

Dated: January 27, 2022

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of each of the provinces of Ontario Alberta, British Columbia, and New Brunswick.

/s/ Simon Quick
Simon Quick