A copy of this amended and restated preliminary prospectus has been filed with the securities regulatory authority(ies) in British Columbia, Alberta and Ontario but has not yet become final for the purpose of the sale of securities. Information contained in this amended and restated 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 authority(ies).

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

*The securities offered by this prospectus have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or applicable state securities or "blue sky" laws, and may not be offered or sold within the United States or its territories or possessions, except in a transaction exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation to buy any of these securities within the United States or its territories or possessions. See "Plan of Distribution".*

AMENDED AND RESTATED PRELIMINARY PROSPECTUS DATED SEPTEMBER 8, 2022
AMENDING AND RESTATING THE PRELIMINARY PROSPECTUS DATED JUNE 9, 2022

Initial Public Offering

September 8, 2022

HAWTHORN RESOURCES CORP.

OFFERING:
5,000,000 Common Shares
at a price of $0.10 per
Common Share

This amended and restated preliminary prospectus (the "**Prospectus**") is being filed by Hawthorn Resources Corp. (the "**Company**" or "**Hawthorn**") to qualify the distribution of 5,000,000 common shares of the Company (the "**Offered Shares**") at a price of $0.10 per common share (the "**Offering Price**") for gross proceeds of $500,000 (the "**Offering**") pursuant to the terms of an agency agreement (the "**Agency Agreement**") dated [●], 2022, between Haywood Securities Inc. (the "**Agent**") and the Company. The Offering Price was determined by arm's length negotiation between the Company and the Agent.

	Price to Public (1)	**Agent's Commission** (2)	**Net Proceeds to the Company** (3)
Per Offered Share	$0.10	$0.007	$0.093
Total Offering (4)	$500,000	$35,000	$465,000

Notes:

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

(2) The Agent will receive a commission (the "**Agent's Commission**") equal to 7% of the gross proceeds of the Offering payable in cash, and compensation options (the "**Compensation Options**") entitling the holder to purchase 7% of the number of Shares sold under the Offering at an exercise price of $0.10 for 24 months from Closing. The Agent will also receive a corporate finance fee (the "**Corporate Finance Fee**") of $20,000 plus applicable taxes, of which $10,000 was paid upon signing the engagement agreement between the Company and the Agent (the "**Engagement Agreement**"), and the remaining $10,000 is payable upon Closing. The Agent will also receive an additional 100,000 Shares (the "**Corporate Finance Securities**") upon Closing at a deemed price per Share that is equal to the Offering Price, plus applicable taxes on the Corporate Finance Securities, and will also be reimbursed for its expenses, legal fees and disbursements in connection with the Offering. This Prospectus qualifies the grant of the Compensation Options, Corporate Finance Securities, and the distribution of the securities issuable thereunder. See "*Plan of Distribution*".

(3) Before the deduction of the remaining expenses related to the Offering. The aggregate of the Agent's Commission, the Corporate Finance Fee, the Agent's expenses and the Company's remaining expenses of the Offering are estimated to be $155,066. See "*Use of Proceeds*".

The following table sets out the maximum number of securities to the Agent in respect of the Offering:

Agents Position	**Maximum size or number of securities available**	**Exercise period or Acquisition Date**	**Exercise price or average acquisition price**
Compensation Options	350,000	24 months from Closing	$0.10
Other compensation securities issuable to the Agent	100,000 Shares(1)	Issuable on Closing	$0.10(2)

Notes:
(1) Represents the Corporate Finance Securities issuable to the Agent on Closing.
(2) Pursuant to the Agency Agreement, issued at a deemed price per Share that is equal to the Offering Price.

This Offering is not underwritten and is subject to receipt by the Company of subscriptions for the Offering of a minimum of $500,000. The proceeds from subscriptions will be held by the Agent, pursuant to the Agency Agreement, until subscriptions for the Offering of 5,000,000 Shares are received. In the event the full subscription for the Offering is not obtained within 90 days from the date a final receipt is issued for the Prospectus, all funds raised hereunder will be refunded to investors without interest or deduction unless an amendment to the Prospectus is filed and the securities regulatory authorities have issued a receipt. The Offering must be completed within 90 days after the date of the issue of a final receipt for the Prospectus (unless an amendment is filed and receipted, in which event on a date not more than 180 days from the date of final receipt).

It is anticipated that the Company will arrange for one or more instant deposits of the Offered Shares issued and sold hereunder with CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee through the non-certificated inventory system administered by CDS on the closing date, or will otherwise duly and validly deliver the Offered Shares as directed by the Agent on the closing date. Except in limited circumstances, no certificates will be issued to purchasers of the Offered Shares and a purchaser will receive only a customer confirmation from a registered dealer that is a CDS participant and from or through which the Offered Shares are purchased. See "*Plan of Distribution*".

There is no market through which these Offered Shares may be sold and purchasers may not be able to resell Offered Shares purchased under this Prospectus. 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*".

The Company has applied to the Canadian Securities Exchange (the "**CSE**" or "**Exchange**") for conditional approval to list the Offered Shares. The listing will be subject to the Company fulfilling all of the listing conditions of the CSE. See "*Plan of Distribution*".

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

These securities are considered to be highly speculative and involve a significant degree of risk due to the nature of the Company's business and its formative stage of development. The Company was incorporated to find, explore and develop resource properties, the success of which cannot be assured. The Company's property is in the exploration stage as opposed to the development stage and are without a known body of commercial ore. The proposed exploration program is an exploratory search for ore. The Company has no present intention to pay any dividends on its Shares. The Company has no history of earnings. Investors must rely upon the ability,

expertise, judgment, integrity and good faith of the management of the Company. An investment in the Shares should only be considered by those investors who can afford to lose their entire investment. See "*Risk Factors*".

Prospective purchasers 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 Company's securities, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires Company's securities.

The Agent conditionally offers the Offered Shares, subject to prior sale, on a commercially reasonable efforts basis, if, as and when issued and delivered by the Company and accepted by the Agent in accordance with the conditions contained in the Agency Agreement (as defined herein) referred to under "*Plan of Distribution*", and subject to the approval of certain legal matters on behalf of the Company by Farris LLP and on behalf of the Agent by Getz Prince Wells LLP. Prospective purchasers should rely only on the information contained in this Prospectus.

The Company is neither a "connected issuer" nor a "related issuer" of the Agent as defined in National Instrument 33-105 – *Underwriting Conflicts*. See "*Relationship between the Company and the Agent*".

No person is authorized to provide any information or make any representation in connection with the Offering other than as contained in this Prospectus. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery and that the Company's business, financial condition, results of operations and prospects may have changed since that date.

AGENT:
HAYWOOD SECURITIES INC.
Suite 700 – 200 Burrard Street
Vancouver, British Columbia, V6C 3L6

TABLE OF CONTENTS

ELIGIBILITY FOR INVESTMENT

In the opinion of Farris LLP, counsel to the Company, provided that the Offered Shares are listed on a designated stock exchange under the Tax Act (which currently includes the CSE) at a particular time, the Offered Shares will at that time become qualified investments under the Tax Act for a trust governed by a registered retirement savings plan (an "**RRSP**"), registered retirement income fund (an "**RRIF**"), registered education savings plan ("**RESP**"), registered disability savings plan ("**RDSP**"), deferred profit sharing plan ("**DPSP**") and a tax-free savings account (a "**TFSA**") (each a "**Plan**").

The Offered Shares are not currently listed on a designated stock exchange and the Company is not currently a "public corporation", and accordingly the Offered Shares are not currently a qualified investment for a Plan. The Company has applied to list the Offered Shares on the CSE, and expects the Offered Shares will be listed prior to issuance.

If at the time of issuance the Offered Shares are not listed on a designated stock exchange under the Tax Act and the Company is not otherwise a "public corporation", the Offered Shares will not be "qualified investments" for a Plan at that time. There are adverse tax consequences, which are not discussed in this summary, where a Plan acquires or holds Offered Shares that are not a "qualified investment". Any person that intends to acquire or hold Offered Shares within a Plan should consult their own tax advisors in this regard.

If the Offered Shares are a qualified investment but a "prohibited investment" (as defined in the Tax Act) for a particular RRSP, RRIF, RESP, RDSP or TFSA (each a "**Registered Plan**"), the annuitant of an RRSP or RRIF, holder of a TFSA or RDSP or subscriber of a RESP (each such person referred to as a "**Plan Subscriber**"), as the case may be, will be subject to a penalty tax as set out in the Tax Act. Any Offered Shares that are a qualified investment will not be a "prohibited investment" for a Registered Plan provided that the Plan Subscriber deals at arm's length with the Company for purposes of the Tax Act and does not have a "significant interest" (within the meaning of the Tax Act for purposes of the prohibited investment rules) in the Company. In addition, the Offered Shares will generally not be a prohibited investment if such securities are "excluded property" as defined in the Tax Act for purposes of the prohibited investment rules. Plan Subscribers should consult with their own tax advisors as to whether the Offered Shares will be a prohibited investment for such Registered Plans in their particular circumstances.

CURRENCY RATES AND FINANCIAL INFORMATION

All currency amounts in the Prospectus are stated in Canadian dollars unless otherwise indicated.

The audited financial statements of the Company for the year ended July 31, 2022 and for the period from the date of incorporation on September 8, 2020 to July 31, 2021 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

METRIC EQUIVALENTS AND ABBREVIATIONS

The following table sets forth certain standard conversions from the International System of units (commonly referred to as metric units) to Standard Imperial units.

1 gram	=	0.0322 troy ounces	
1 troy ounce	=	31.104 grams	
1 ton	=	2000 pounds	
1 tonne	=	1000 kilograms	
1 gram/tonne	=	1ppm	= 1000ppb
1 troy ounces/ton	=	34.29 gram/tonne	
1 gram/tonne	=	0.292 troy ounces/ton	
1 kilogram	=	32.151 troy ounces	= 2.205 pounds
1 pound	=	0.454 kilograms	
1 inch	=	2.54 centimeters	
1 foot	=	0.3048 metres	
1 metre	=	39.37 inches	= 3.281 feet
1 mile	=	1.609 kilometres	

1 acre	=	0.4047 hectares	
1 sq mile	=	2.59 square kilometres	
1 hectare	=	10,000 square metres	= 2.471 acres

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, and the Agent 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 information contained in this Prospectus is accurate only as of the date of this Prospectus or the date indicated, regardless of the time of delivery of this Prospectus or any sale of the Offered Shares. The Company's business, financial condition, operating results and prospects may have changed since the date of this Prospectus.

The Company and the Agent are not offering to sell the Offered Shares in any jurisdiction where the offer or sale of such securities is not permitted. For investors outside the Qualifying Jurisdictions, neither the Company nor the Agent have done anything that would permit the Offering or possession or distribution of this Prospectus in any jurisdiction where action for that purpose is required, other than in the Qualifying Jurisdictions. Investors are required to inform themselves about, and to observe any restrictions relating to, the Offering and the possession or distribution of this Prospectus.

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.

FORWARD–LOOKING INFORMATION

Certain statements included in this Prospectus constitute forward-looking information, including those identified by the expressions "anticipate", "believe", "plan", "estimate", "aim", "schedule", "expect", "intend", "may", "should", "could", "might", "will", "indicate", "suggest" and similar expressions (including negative and grammatical variations) to the extent they relate to the Company or its management. The forward-looking information is not historical fact but reflects current expectations regarding future results or events and are based on various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Forward-looking information includes statements regarding planned exploration activities and future work planned at the Company's property including the timing and estimated costs thereof, expected results of exploration activities, possible joint ventures, the intended use of proceeds, the requirement for future funding, expected future financial performance, the use of consultants, and the listing of the Shares. In addition, information concerning the interpretation of exploration results may be considered forward-looking information, as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The risk factors described in this Prospectus are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in the Company's forward-looking information. In addition, any forward-looking information represents the Company's estimates only as of the date of this Prospectus and should not be relied upon as representing the Company's estimates as of any subsequent date. The material factors and assumptions that were applied in making the forward-looking information in this Prospectus include, among others: (a) execution of the Company's existing plans or exploration programs for its property, which may change due to changes in the views of the Company, or if new information arises which make it prudent to change such plans or programs; and (b) the accuracy of current interpretation of exploration results, since new information or new interpretation of existing information may result in changes in the Company's expectations. Readers should not place undue reliance on the Company's forward-looking information, as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking information if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking information will materialize. Subject to applicable laws, the Company assumes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or any other reason. Material risk factors that could cause the Company's actual results to differ materially from the forward-looking information in this Prospectus include: COVID-19, natural disasters, geopolitical instability or other unforeseen events, lack of revenue, negative operating cash flow, use of funds, absence of prior public market and volatility of share prices, the Company may not be able to obtain sufficient financing to pursue all of its intended exploration activities or continue on a going concern basis, conflicts of interest, dependence on key personnel, reliance on independent contractors, insurance, tax issues, liquidity, unlimited number of authorized but unissued shares, a purchaser of the Offered Shares under the Offering will purchase such Offered Shares at a substantial premium to the current book value per Offered Share, the Company is not likely to pay dividends for an extended period of time, 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 Shares could decline, issuance of debt, no history of earnings, future acquisitions may require significant expenditures and may result in inadequate returns, the Company may expand into other geographic areas, which could increase the Company's operational, regulatory and other risks, the Company may be subject to costly legal proceedings, the Company will incur increased costs as a result of complying with the reporting requirements, rules and regulations affecting public issuers, exploration and development, mining operations are risky, operations during mining cycle peaks are more expensive, acquisition of additional mineral properties, title, surface rights, permits and licenses, social and environmental activism can negatively impact exploration, development and mining activities, competitive nature of the mining industry, environmental, health and safety regulation of resource industry, aboriginal rights claims may impact the Company's interest in the Broken Handle Project, the Company may be negatively impacted by changes to mining laws and regulations, availability of drilling equipment and access restrictions, the Broken Handle Project is located in an underdeveloped rural area, stress in the global economy, current global financial condition, unknown environmental risks for past activities, political regulatory risks and fluctuating mineral prices. For a full description of such factors and others, see "*Risk Factors*".

SCIENTIFIC AND TECHNICAL INFORMATION

Except as otherwise disclosed, scientific and technical information relating to the mineral claims comprising the Broken Handle Project contained in this Prospectus is derived from, and in some instances is a direct extract from, and based on the assumptions, qualifications and procedures set out in, the Broken Handle Report prepared for the Company. The Authors of the Broken Handle Report, F. Kenneth (Ken) MacDonald, P.Geo., and Patrick McLaughlin., P.Geo., reviewed and approved the scientific and technical information relating to the Broken Handle Project contained in this Prospectus and are each a "qualified person" within the meaning of NI 43-101. Mr. MacDonald is "independent" of the Company within the meaning of NI 43-101. Mr. McLaughlin is not independent of the Company. Reference should be made to the full text of the Broken Handle Report, which is available for review under the Company's profile on SEDAR at www.sedar.com.

GLOSSARY OF TERMS

In this Prospectus, including the summary hereto, unless the subject matter context is inconsistent therewith, the following terms shall have the meanings set forth below:

"**1218802**" means 1218802 B.C. Ltd.;

"**1218802 1.0% NSR**" means the 1.0% net smelter return on the entire Broken Handle Project in favour of 1218802 pursuant to the 1218802 Agreement, of which Origen has a right to purchase from 1218802 one-half (0.5%) for $1,000,000, thereby reducing the net smelter return to 0.5%.

"**1218802 Agreement**" means the purchase and sale and royalty agreement dated effective May 11, 2020 between 1218802 and Origen;

"**Acquired Interest**" means a 75% interest in and to the Broken Handle Project;

"**Agency Agreement**" means the agency agreement dated [●], 2022 with respect to the Offering between the Company and the Agent as more particularly described under the heading "*Plan of Distribution*";

"**Agent**" means Haywood Securities Inc.;

"**Agent's Commission**" means the fee of 7% of the gross proceeds of the Offering payable to the Agent pursuant to the Agency Agreement payable in cash;

"**Amending Agreement**" means the amending agreement made as of April 13, 2022 between the Optionor and the Company;

"**Authors**" means F. Kenneth (Ken) MacDonald, P.Geo., and Patrick McLaughlin., P.Geo.;

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

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

"**Broken Handle Agreement**" means the Mineral Property Option Agreement dated December 15, 2020 between the Company and the Optionor, as amended by the Amending Agreement;

"Broken Handle Project" means a single mineral claim with an area of 2098.33 hectares located near the town of Grand Forks in southern British Columbia;

"**Broken Handle Report**" means the report dated effective August 30, 2022 and with a signing date of September 8, 2022 prepared by the Authors pursuant to NI 43-101;

"**Closing**" means the closing of the Offering;

"Closing Date" means the date on which Closing occurs;

"**CMG**" means Coast Mountain Geological Ltd.;

"**Corporate Finance Fee**" means the fee of $20,000 plus applicable taxes payable by the Company to the Agent, of which amount $10,000 was paid upon signing the engagement agreement between the Company and the Agent, and the remaining $10,000 is payable upon Closing;

"**Corporate Finance Securities**" means 100,000 Shares payable to the Agent upon Closing at a deemed price per Share that is equal to the Offering Price;

"**Company**" or "**Hawthorn**" means Hawthorn Resources Corp., a corporation incorporated pursuant to the BCBCA;

“**Compensation Option Shares**” means the common shares of the Company issuable on exercise of the Compensation Options;

“**Compensation Options**” means the options to be issued to the Agent pursuant to the Agency Agreement as partial compensation for its services, with each Compensation Option exercisable to acquire one Compensation Option Share of the Company for a period of 24 months from the Closing Date at $0.10 per Share;

“**CSE**” or the “**Exchange**” means the Canadian Securities Exchange;

“**Engagement Agreement**” means the engagement agreement between the Company and the Agent;

“**Escrow Agent**” means Odyssey Trust Company;

“**Escrow Agreement**” means the escrow agreement between the Company, the Escrow Agent and various escrow holders, dated the date of the Prospectus, respecting certain Shares to be escrowed in connection with the Offering;

“**Exchange Approval Date**” means the date of the Exchange’s approval and acceptance of the Broken Handle Report and approval to list the Shares of the Company to trade on the Exchange;

“**IFRS**” means the International Financial Reporting Standards;

“**Manager**” means Venus Corporate Services Inc.;

“**Management Services Agreement**” means the management services agreement dated January 4, 2021 between the Company and the Manager, acting as an independent contractor, as amended from time to time;

“**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*;

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

“**NI 52-110**” means National Instrument 52-110 – *Audit Committees*;

“**Offered Shares**” means the Shares offered for sale pursuant to this Prospectus;

“**Offering**” means the public offering of the Offered Shares described herein or in any amendment hereto;

“**Offering Price**” means a price of $0.10 for each Offered Share;

“**Optionor**” or “**Origen**” means Origen Resources Inc.;

“**Optionor 1.5% NSR**” means the 1.5% net smelter return on the Acquired Interest in favour of the Optionor pursuant to the Broken Handle Agreement, of which the Company may repurchase 1.0% of the net smelter return within one year of commencement of commercial production by paying to the Optionor $1,000,000;

“**Prospectus**” means this amended and restated preliminary prospectus dated September 8, 2022;

“**Qualifying Jurisdictions**” means the securities regulatory authorities in the provinces of British Columbia, Alberta and Ontario;

“**Share**” or “**Shares**” means, respectively, one or more common shares in the capital of the Company;

“**Stock Option Plan**” means a plan adopted by the Company governing the grant of stock options; and

“**U.S.**”, “**USA**” or the “**United States**” means the United States of America.

GLOSSARY OF TECHNICAL TERMS

In this Prospectus, including the summary hereto, unless the subject matter context is inconsistent therewith, the following technical terms shall have the meanings set forth below:

Abbreviation	Definition
ppb	part per billion
ppm	part per million
g	gram
g/t	gram per tonne
opt	(troy) ounce per short ton
oz/t	(troy) ounce per short ton
Moz	million ounces
Mt	million tonnes
t	metric tonne (1000 kilograms)
st	short ton (2000 pounds)

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Offering, does not purport to be complete and is qualified in its entirety by, and should be read together with, the more detailed information and financial data and statements, including the notes thereto, contained elsewhere in this Prospectus. You should read this entire Prospectus carefully, especially the "Risk Factors" section of this Prospectus and the financial statements and related notes appearing elsewhere in this Prospectus before making any investment decision.

THE COMPANY

The Company is a mineral exploration company will acquire and explore mineral properties, primarily gold in British Columbia, Canada. The property currently considered to be material to the Company, the Broken Handle Project, is in British Columbia, Canada.

THE OFFERING

Offering	The Company is offering 5,000,000 Shares for sale in the Qualifying Jurisdictions.
Offering Price	$0.10 per Offered Share.
Additional Distributions	This Prospectus also qualifies the Compensation Options and the Corporate Finance Securities to be issued to the Agent under the Agency Agreement.
Agent's Commission	The Agent will receive a commission equal to 7% of the gross proceeds of the Offering payable in cash, and Compensation Options entitling the holder to purchase 7% of the number of Shares sold under the Offering. The Agent will also receive a Corporate Finance Fee of $20,000 plus applicable taxes, of which $10,000 was paid upon signing the engagement agreement between the Company and the Agent, and the remaining $10,000 is payable upon Closing. The Agent will also receive Corporate Finance Securities consisting of $10,000 of Shares of the Company upon Closing and will also be reimbursed for its expenses, legal fees, and disbursements in connection with the Offering.
Closing Date	Completion of the Offering must be no later than 90 days from the date a receipt is issued for the final Prospectus unless an amendment to the Prospectus is filed and the securities regulatory authorities have issued a receipt therefor.
Shares Outstanding	Prior to completion of this Offering, the Company has 10,610,000 Shares issued and outstanding. Following completion of this Offering, the Company will have 15,860,000 Shares outstanding (including the Corporate Finance Securities payable to the Agent and Shares payable to the Optionor within 15 days of the Exchange Approval Date).
Qualifying Jurisdictions	The Offering will be made in the provinces of British Columbia, Alberta and Ontario.
Proceeds of the Offering	The net proceeds of the Offering to the Company, after deduction of the Agent's Commission, the Corporate Finance Fee, the Agent's expenses and the remaining expenses of the Offering, are estimated to be $344,934. The total funds available to the Company at Closing of the Offering, including the estimated working capital deficit of approximately $6,446 as at August 31, 2022 (which amount accounts for $25,000 in prepaid expenses related to the Offering), are estimated to be $338,488.
Use of Proceeds	The Company intends to spend its available funds as stated in this Prospectus. There may be circumstances, however, where for sound business reasons, a reallocation of the funds available may be necessary. The carrying out of Phase 2 of the recommendation of the Broken Handle

Report is contingent upon the results of Phase 1. The Company's management is confident that the proposed work program is a reasonable and prudent exploration program and that its budget is a reasonable estimate of the cost to undertake the proposed work program.

Principal Purpose	**Available Funds**
Carry out Phase 1 of the recommendation of the Broken Handle Report on the Broken Handle Project	$113,025
Option payment due within 15 days of the Exchange Approval Date, pursuant to the Broken Handle Agreement	$25,000
Estimated other general and administrative costs for 12 months (1)	$119,773
Unallocated working capital	$80,690
Total:	$338,488

Notes:

(1) Includes estimated accounting and audit expenses of $24,750, legal expenses of $12,000, regulatory fees of $17,203, rent expenses of $12,600, office management expenses of $50,400, and general office expenses of $2,820.

The principal business objective that the Company expects to accomplish with the funds available is to conduct exploration work of $113,025 on the Broken Handle Project pursuant to Phase 1 of the Broken Handle Report and, contingent upon the results of Phase 1 and subject to sufficient funding, to conduct exploration work of $106,183 on the Broken Handle Project pursuant to Phase 2 of the Broken Handle Report.

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

Event	**Time Frame**
Closing of the Offering and listing on the Exchange	Within 90 days of issuance of receipt for final prospectus
To carry out the recommendations of the Broken Handle Report on the Broken Handle Project	Within one year of listing the Shares on the CSE

See "*Business of the Company*" *and* "*Properties*".

Risk Factors	An investment in Offered Shares is considered to be highly speculative and involves a significant degree of risk due to the nature of the Company's business and its formative stage of development, and is suitable only for investors willing to risk the loss of their investment and who can afford to lose their entire investment. The Company was incorporated to find, explore and develop resource properties, the success of which cannot be assured. The Company's property is in the exploration stage as opposed to the development stage and are without a known body of commercial ore. The proposed exploration program is an exploratory search for ore. The Company has no present intention to pay any dividends on its Shares. The Company has no history of earnings. Investors must rely upon the ability, expertise, judgment, integrity and good faith of the management of the Company. There are additional risks associated with the investment relating to the Company's prospects for success, availability of subsequent financing, the absence of a market for its securities, competition in the industry, potential liability for damages arising during operations, governmental regulation, availability of commodities markets, fluctuation in prices and changes in income tax laws. Investors should consult their own professional advisors to assess the income tax, legal and other aspects of an investment in Offered Shares. See "*Risk Factors*".

SELECTED FINANCIAL INFORMATION

The following table sets forth selected financial information of the Company, which information has been derived from the financial statements contained in the Prospectus. Readers should review the financial statements in their entirety for complete financial information relating to the Company. The information as at and for the year ended July 31, 2022 and for the period from the date of incorporation on September 8, 2020 to July 31, 2021 is presented in accordance with IFRS.

	For the year ended July 31, 2022 (audited) (1)	For the period from incorporation on September 8, 2020 to July 31, 2021 (1) (audited)
Operations		
Revenue	-	-
Net loss	($165,447)	($68,168)
Basic and diluted loss per Share	($0.02)	($0.01)
Balance Sheet		
Current assets	$166,298	$203,332
Exploration and evaluation assets	$15,000	$15,000
Total assets	$212,219	$218,332
Total liabilities	$191,244	$68,000
Shareholders' equity	$20,885	$150,332
Dividends declared	Nil	Nil

Notes:

(1) Derived from the audited financial statements as at and for the year ended July 31, 2022 and for the period from the date of incorporation on September 8, 2020 to July 31, 2021, as prepared under IFRS.

CORPORATE STRUCTURE

Name and Incorporation

Hawthorn Resources Corp. was incorporated on September 8, 2020 pursuant to the BCBCA.

The Company's head office and registered office is located at 625 Howe Street, Suite 1180, Vancouver, BC, Canada, V6C 2T6.

Intercorporate Relationships

The Company does not have any subsidiaries.

BUSINESS OF THE COMPANY

The Company is a mineral exploration company that will acquire and explore mineral properties. The property currently considered to be material to the Company, the Broken Handle Project, is located in British Columbia, Canada. The Broken Handle Project is at an early stage of exploration.

Corporate History

The Company was incorporated in the Province of British Columbia on September 8, 2020. Since its inception, the Company has completed private placement financings, raising a total of $254,500 as of the date of this Prospectus through the sale of Shares. The funds have been used to complete the Company's business to date and to cover the costs associated with the Offering.

On December 15, 2020, the Company entered into the Broken Handle Agreement with the Optionor, as amended by the Amending Agreement on April 13, 2022. See "*Business of the Company – Property Agreements*" and "*Directors And Officers – Conflicts of Interest*".

Property Agreements

Broken Handle Agreement

The following is a summary of the material terms of the Broken Handle Agreement and is subject to, and qualified in its entirety by, the full text of the Broken Handle Agreement, which will be available under the Company's profile on the SEDAR website at www.sedar.com. Investors are urged to read the Broken Handle Agreement in its entirety, as the rights and obligations of the parties thereto are governed by the express terms of the Broken Handle Agreement and not by this summary or any other information contained in this Prospectus.

The Company entered into the Broken Handle Agreement with the Optionor on December 15, 2020 and as amended by the Amending Agreement. As of the respective dates of entering into the Broken Handle Agreement and the Amending Agreement, (a) the agreements were not a "related party transaction" for the Company as that term is defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*; and (b) the Company and the Optionor were not related parties under International Accounting Standards (IAS) 24 – *Related Party Disclosures*. Pursuant to the Broken Handle Agreement, the Optionor granted the Company the sole and exclusive right and option to acquire the Acquired Interest, being a 75% interest in and to the Broken Handle Project, subject to the Optionor 1.5% NSR and the 1218802 1.0% NSR (the "**Option**"). Upon exercise of the Option, the Optionor shall cause the Company to be recorded as the registered owner of the of 75% interest in and to the Broken Handle Project, which consists of a single mineral claim with an area of 2098.33 hectares located near the town of Grand Forks in southern British Columbia.

In order to exercise the Option for the Broken Handle Project, the Company must: (a) pay the Optionor $15,000 (paid) upon signing of the Broken Handle Agreement; (b) pay the Optionor $25,000 and issue to the Optionor 150,000 Shares within 15 days of the Exchange Approval Date; (c) issue to the Optionor 200,000 Shares on or before 12 months after the Exchange Approval Date; (d) pay the Optionor $60,000 on or before 18 months of the Exchange Approval Date; (e) pay the Optionor $70,000 and issue to the Optionor 250,000 Shares on or before the second anniversary of the Exchange Approval Date; (f) pay the Optionor $80,000 and issue to the Optionor 400,000 Shares on or before the third anniversary of the Exchange Approval Date; (g) incur $100,000 of exploration expenditures on the Broken Handle Project on or before the first anniversary of the Exchange Approval Date; and (g) incur $400,000 of exploration expenditures on the Broken Handle Project on or before the third anniversary of the Exchange Approval Date. Any excess exploration expenditures will be cumulative and can be carried forward to future years, or in the event of a shortfall of exploration expenditures, the Company can pay the Optionor the shortfall amount in cash or an equivalent value in Shares at the Company's election.

Upon exercise of the Option, the Company will acquire a 75% interest in and to the mineral claim comprising the Broken Handle Project subject to (i) the Optionor 1.5% NSR, being a 1.5% net smelter return royalty on the Acquired Interest in favour of the Optionor that the Company may repurchase 1% of the Optionor 1.5% NSR within one year of commencement of commercial production by paying to the Optionor $1,000,000; and (ii) the 1218802 1.0% NSR, being a 1% net smelter return held by 1218802. The Optionor 1.5% NSR is calculated by taking actual proceeds received by the Company from the sale of ores, valuable minerals, industrial minerals, gems or precious stones, metals (including bullion) or concentrates produced from the Broken Handle Project, after deducting certain charges, penalties, freight costs, marketing costs, insurance, customs duties and taxes (but excluding any taxes on net income).

The Company may terminate the Option and the Broken Handle Agreement at any time by giving 30 days' notice to the Optionor. If the Company fails to make the payments, issue Shares and incur exploration expenditures as required pursuant to the Broken Handle Agreement, the Option and the Broken Handle Agreement will terminate upon the Optionor giving 30 days' notice of such default to the Company. In the event that the Option is terminated, the Company has various obligations following termination, including the obligation to deliver technical data to the Optionor, perform all reclamation work deemed necessary by the district inspector of mines, pay for the removal of property not removed by the Company, and return the Broken Handle Project with at least one (1) year assessment credit. In the event that the Exchange Approval Date has not occurred by September 30, 2022, the Optionor may elect, upon written notice to the Company, to terminate the Broken Handle Agreement, and any amounts paid by the Company to the Optionor will be forfeited.

If either party to the Broken Handle Agreement, or any of their affiliates, acquires an interest in a mineral claim within two kilometers of the Broken Handle Project, the acquiring party must give notice of such interest and the other party may elect to require such interest to form part of the Broken Handle Project.

The Optionor agrees to indemnify and save the Company harmless from and against any environmental liability or any other damages, costs and other losses suffered or incurred by the Company arising directly or indirectly from any operations or activities conducted in or on the Broken Handle Project by the Optionor or others prior to the date of the Broken Handle Agreement. The Company agrees to indemnify and save the Optionor harmless from and against any environmental liability or any other damages, costs and other losses suffered or incurred by the Optionor arising directly or indirectly from any operations or activities conducted in or on the Broken Handle Project by the Company or others after the date of the Broken Handle Agreement.

For as long as the Option is outstanding, the Company will:

(a) maintain in good standing those mineral claims comprising the Broken Handle Project by the doing and filing of assessment work or the making of payments in lieu thereof, by the payment of taxes and rentals, and the performance of all other actions which may be necessary in that regard and in order to keep such mineral claims free and clear of all liens and other charges arising from the Company's activities thereon except those at the time contested in good faith by the Company;

(b) record all exploration work carried out on the Broken Handle Project by the Company as assessment work;

(c) do all work on the Broken Handle Project in a good and workmanlike fashion and in accordance with all applicable laws, regulations, orders and ordinances of any governmental authority;

(d) in the event of termination of the Broken Handle Agreement, the reclamation bond, if any, then in place will be maintained by the Company until a mine inspector has confirmed that all reclamation requirements have been satisfied;

(e) permit the Optionor, at its own expense, reasonable access to the records of expenditures and the results of the work done on the Broken Handle Project during the last completed calendar year;

(f) deliver to the Optionor, annually on or before each anniversary date of the Broken Handle Agreement, copies of all reports, maps, assay results and other technical data compiled by or prepared at the direction of the Company with respect to the Broken Handle Project; and

(g) use commercially reasonable efforts to communicate with and inform the applicable government, First Nations and any other interested parties, as required by applicable law, in connection with its exploration activities on the Broken Handle Project.

For as long as the Option is outstanding, the Company and its affiliates and representatives have the right to:

(a) access all information in the possession or control of the Optionor relating to the prior operations of the Broken Handle Project, including all geological, geophysical and geochemical data and drill results;

(b) to enter upon the Broken Handle Project and carry out such exploration and development work thereon and thereunder as the Company considers advisable, including removing material from the Broken Handle Project for the purpose of testing; and

(c) to bring upon and erect upon the Broken Handle Project such structures, machinery and equipment, facilities and supplies as the Company considers advisable.

Effective on the date upon which the Company has acquired the Acquired Interest pursuant to the Broken Handle Agreement, the Optionor and the Company will immediately enter into a joint venture agreement to form a joint venture for the purpose of carrying out further exploration, development and production work on the Broken Handle Project, on the terms more fully described in the Broken Handle Agreement and to be set out in the joint venture agreement.

The Optionor has certain access rights to the Broken Handle Project concurrently with the Company, at the Optionor’s own risk and expense. All questions or matters in dispute under the Broken Handle Agreement shall be submitted to arbitration.

Specialized Skill and Knowledge

Various aspects of the Company’s business require specialized skills and knowledge. Such skills and knowledge include areas of exploration and development, geology, drilling, permitting, metallurgy, logistical planning, accommodation and implementation of exploration programs, as well as legal compliance, finance and accounting. The Company expects to retain the appropriate professional services and consultants to complete Phase 1 of the recommended work program set out in the Broken Handle Report. The Company does not anticipate any difficulties in obtaining suitable professional services and competent consultants in such fields.

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 well as for the recruitment and retention of qualified employees. As a result of this competition, the majority of which is with companies with greater financial resources and technical facilities than the Company, the Company may not be able to acquire attractive properties in the future on terms it considers acceptable. Finally, the Company competes for investment capital with other resource companies, many of whom have greater financial resources and/or more advanced properties that are better able to attract equity investment and other capital. The ability of the Company to acquire attractive mineral properties in the future depends not only on its success in exploring and developing its present properties, but also on its ability to select, acquire and bring to production suitable properties or prospects for exploration, mining and development. Factors beyond the control of the Company may affect the marketability of minerals mined or discovered by the Company.

Environmental Protection

The various federal, provincial and local laws and regulations governing protection of the environment are amended often and are becoming more restrictive. The Company's policy is to conduct its business in a way that safeguards public health and the environment. The Company believes that its operations are conducted in material compliance with applicable environmental laws and regulations.

Since its incorporation, the Company has not had any environmental incidents or non-compliance with any applicable environmental laws or regulations. The Company estimates that it will not incur material capital expenditures for environmental control facilities during the current fiscal year.

Trends

The Company anticipates that it will continue to experience net losses as a result of ongoing exploration and general corporate and administrative costs and expenses until such time, if any, as revenue generating activity is commenced. The Company's future financial performance is dependent on many external factors. Both the prices of, and the markets for, minerals are volatile, difficult to predict and subject to changes in domestic and international political, social and economic environments. These circumstances and events could materially affect the future financial performance of the Company. The Company is not currently aware of any trend, event or uncertainty that can reasonably be expected to have a material adverse effect on the business, financial condition, or operating results of the Company other than as described in this Prospectus and, in particular, under the headings "*Risk Factors*" and "*Forward-Looking Statements*".

Employees

The Company does not have any employees and intends to utilize consultants to carry on most of its activities and, in particular, to supervise certain work programs on its Broken Handle Project.

PROPERTIES

The Company has an option to acquire a 75% interest in and to one mineral exploration property in British Columbia, Canada.

The following represents information extracted from the technical report entitled "*Technical Report on the Broken Handle Project"* dated effective August 30, 2022, prepared pursuant to the provisions of NI 43-101 by the Authors, Mr. F. Kenneth (Ken) MacDonald, P.Geo., and Mr. Patrick McLaughlin., P.Geo. Figure 1 through Figure 15 from the Broken Handle Report are included in this Prospectus. The Broken Handle Report will be available under the Company's profile on the SEDAR website at www.sedar.com.

Summary

The Broken Handle Report was prepared for the Company. Hawthorn has an option to acquire a 75% undivided interest in and to the Broken Handle Project from Origen. The Broken Handle Report describes the geological setting and prospectivity in addition to providing recommendations for advancing the Broken Handle Project.

The Broken Handle Project is an early-stage mineral exploration project acquired by staking a single 2098.33 hectare claim on January 30, 2018 over a series of known mineral occurrences and reverted Crown grants. The Broken Handle Project is approximately 50 km north of Grand Forks and approximately five kilometres south of the past-producing Franklin Mine Camp. The Broken Handle Project is within the Greenwood Mining Division on the border of NTS Map Sheets 082E08 and 082E09 and approximately centred at latitude 49.505°N and longitude -118.414°W or 398150 mE/5483800mN (UTM NAD83 Zn11 – EPSG:26911).

The Broken Handle Project contains documented occurrences of gold, silver, copper, lead and zinc mineralization. This mineralization occurs as polymetallic and precious metal-bearing veins, contact metamorphic (skarn) copper-lead-zinc-silver-gold occurrences and epithermal precious metal veins. There is no mineral resource or record of production within the Broken Handle Project.

The Broken Handle Project area was initially explored as a result of the Greenwood and Franklin Mining Camp discoveries in the 1890's and early 1900's. The Greenwood and Franklin Camps became prolific precious and base metal mining districts in southern British Columbia. The Broken Handle Project is underlain by bedrock geologically analogous to the Franklin Camp but has undergone little exploration work since the 1920's. After this first period of exploration in the early 1900's, other showings and mineral occurrences within the tenure area were discovered in the 1970's during the construction and extension of the primary forestry service road that transects the Broken Handle Project along the Granby River.

The dominant stratigraphy within the tenure area consists of Late Paleozoic metasedimentary rocks of the Harper Ranch Group that are geological equivalents to highly prospective rocks that host economic deposits in the adjoining Franklin and Greenwood Camps. The prospective Harper Ranch Group rocks are intruded by a series of Middle Jurassic granodiorite and later Late Cretaceous granitic intrusive phases that are further intruded by younger Middle Eocene Coryell alkalic to sub-alkalic plutonic rocks. Precious metal epithermal veins associated with appreciable base-metal mineralization as well as poly-metallic skarn-like lenses characterize the primary targets within the tenure area. These precious metal fissure and shear lodes are the most attractive targets within the Broken Handle Project boundaries because of their affinity to the economic discoveries of the Franklin Camp.

The most recent exploration on the Broken Handle Project was conducted by CMG to facilitate two short ground-based field programs of soil geochemistry and prospecting in 2018 and 2019 that led to the discovery of a variety of shallow underground workings consisting of shafts, pits and adits. In total, 741 soil and 45 rock samples were collected across the tenure area. Gold fire assay results from bedrock chip samples range in value from <0.005 to 23.03 ppm. Silver results also have an extensive range of values, with bedrock chip samples ranging from 1 to 973 ppm

The analytical results and field observations from both seasons of work have determined that the Broken Handle Project occurs within geologically and economically comparable terrain to the Franklin Camp, and that the Broken Handle Project possesses significant exploration potential and prospectivity. The Authors conclude that additional exploration work is warranted, including soil sampling, prospecting, trenching and geophysical surveys. A total expenditure of $113,025.00 is recommended to evaluate the exploration potential further.

Introduction

Terms of Reference

The Broken Handle Report was prepared for Hawthorn, a privately registered company within the Province of British Columbia, to serve as a qualifying report on a qualifying property for fulfilling listing requirements on the CSE. Hawthorn commissioned the Authors to review the geological setting and prospectivity and history of previous exploration and make recommendations for further work on the Broken Handle Project. The Broken Handle Report conforms to the format and content standards of NI 43-101, the Companion Policy to NI 43-101, and Form 43-101F1. The purpose of the Broken Handle Report is to summarize information on the Company's acquisition and to support it as a qualifying property.

Scope

The Authors constructed the Broken Handle Report based on:

1. Publicly available technical data from technical reports, the BC ARIS and BC Minfile databases, publications, the BC Property File and Gator registration systems listed in Section 28 of the Broken Handle Report.
2. Personal inspection of the Broken Handle Project on August 11, 2022 by Mr. F. Kenneth (Ken) MacDonald.
3. Work conducted by CMG on behalf of 1218802 in 2018 and 2019 as documented in BC ARIS database.

Both Authors are registered Professional Geoscientists in the Province of British Columbia (Engineers and Geoscientists BC) and considered a Qualified Person, as per the requirement of NI 43-101. The senior Author (Mr. MacDonald) is independent of the Company as defined by National Instrument 43-101 guidelines. Neither Author has a material interest in the Broken Handle Project or in mineral claims in the vicinity of the Broken Handle Project. Neither Author holds any direct or indirect interest in the Company, Broken Handle Project or any adjoining claims. The senior Author, Mr. MacDonald, assumes overall responsibility for all items of the Broken Handle Report.

To the best of the Authors' knowledge there is no subsequent new scientific or technical information that would be considered material as of the effective date of the Broken Handle Report. Both Authors have sufficient experience in the exploration of epithermal and mesothermal gold-silver deposits, including geology and interpretation of geophysical and geochemical results.

Throughout the Broken Handle Report an attempt has been made to use plain language. Metal and mineral abbreviations contained within the Broken Handle Report conform to standard industry usage. Some technical terms and abbreviations which may not be familiar to the reader have inevitably been included. In such cases, a reputable geological dictionary should be consulted.

Historical exploration and mining data in British Columbia were typically documented in the Imperial System, with units of lengths expressed in feet (ft) and inches, mass in short tons (ton) and precious metal grades in ounces per short ton (oz/ton). More recent exploration and mining data is generally expressed in metric units of lengths as metres (m) or centimetres (cm), mass in metric tonnes (t), and precious metal grades in grams per tonne (gpt), or in parts per million (ppm) or parts per billion (ppb). Conversion factors between metric and Imperial units are listed in Appendix I of the Broken Handle Report. All costs in the Broken Handle Report and the summary herein, unless otherwise stated, are expressed in Canadian Dollars (CAD).

Site Inspection

The senior Author (Mr. MacDonald) completed a property visit on August 11, 2022 accompanied by Jordan Lewis (CMG). The inspection focused on the general overall site condition of the Broken Handle Project, including examination of the so-called Morell workings where numerous historical shallow adits, shafts and trenches reveal upon inspection multiple mineralized zones. These zones were rediscovered in 2019, presumably lost in the public record, and sampled during that exploration season. Select check samples were taken during the site inspection by Mr. MacDonald. The site inspection also examined and surveyed (handheld GPS) several new logging clear-cuts and roads and skid trails on the western side of the Broken Handle Project.

Three check grab samples were taken from exposed outcrop or muck from underground workings and returned similar values to initial sampling by CMG in 2019 (refer to section 12.0 Data Verification in the Broken Handle Report for discussion of results). The samples were submitted to MSA Labs of Langley BC and results were received and reviewed. The senior Author (Mr. MacDonald) used a hand-held Garmin 60SCx GPS unit (accuracy: ± 3.0m) to record tracks and waypoints of interest for location and a digital camera to record photographs.

The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the mineral potential being evaluated.

Reliance on Other Experts

The Authors did not rely on other experts for the purpose of the Broken Handle Report.

Broken Handle Project Description and General Location

The Broken Handle Project is situated in the Boundary District of southern British Columbia near the town of Grand Forks, approximately 320 km east of Vancouver, BC and close to the Canada – USA border along British Columbia's Provincial Highway 3 (Figure 1). The Broken Handle Project is approximately 50 km north of Grand Forks, is centered on coordinates 399100mE / 5483150mN (NAD 83, Zone 11N: EPSG 26911)) or Latitude 49.505°N and Longitude -118.414°W, and straddles NTS Map sheets 082E8 and 082E9.

Historic land surveys and documents indicate there is a poorly documented history of mining activity in the form of old adits, shallow blast pits, trenches and shafts developed within the Broken Handle Project boundaries. There are no significant waste dumps, tailings sites, historic mine buildings or other environmental liabilities to which the Broken Handle Project is subject.

Mineral Title

The Broken Handle Project is an early-stage exploration project composed of a single 2098.33 hectare mineral claim numbered 1058060 owned 100% by Origen (Free Miners Certificate: 287125). The mineral claim is valid and subsisting and remains in good standing until October 20, 2023. Confirmation of mineral tenure registration and status was accomplished by a search of the Mineral Titles Branch, Ministry of Energy, Mines and Petroleum Resources, Government of British Columbia. This confirmation does not constitute nor is it intended to represent a legal, or any other, opinion as to the validity of the title.

The claim is an MTO “cell” type claims that was staked online through the BC Government MTO web portal and as such has no reference points or claim posts in the field. However, the claim corners can be referenced to UTM coordinates which can be precisely measured in the field. The claim was staked to cover the projected locations of historical reverted Crown grants/mining claims from the late 1800s/early 1900s.

CMG filed an assessment report (Lewis, 2018) dated December 14th, 2018 for a total of $16,167.52 of assessment expenditures for the preliminary 2018 reconnaissance survey. CMG subsequently filed a follow-up report (McLaughlin, 2020) dated February 12, 2020 for a total of $71,726.33 of assessment expenditures for exploration completed in the2019 field season. Exploration expenditure costs since 2018 total $87,893.85.

Hawthorn acquired an option on December 15, 2020 from Origen to acquire a 75% undivided interest in the Broken Handle Project by incurring $500,000 in exploration expenditures, paying an aggregate of $250,000 and issuing an aggregate of 1,000,000 shares over a three-year period. Upon execution of this option, Origen will be granted a 1.5% Net Smelter Returns royalty (NSR), of which Hawthorn will have the right to purchase 1.0% of the NSR for $1,000,000 within one year of commencement of commercial production. Hawthorn later signed an amending option agreement, dated April 13, 2022, to acknowledge there was an underlying 1% NSR held by a private company, 1218802, which had initially acquired the Broken Handle Project and subsequently sold it to Origen on May 11, 2020. The total NSR is 2.5% as of the effective date of the Broken Handle Report. (Table 1 and Figure 2).

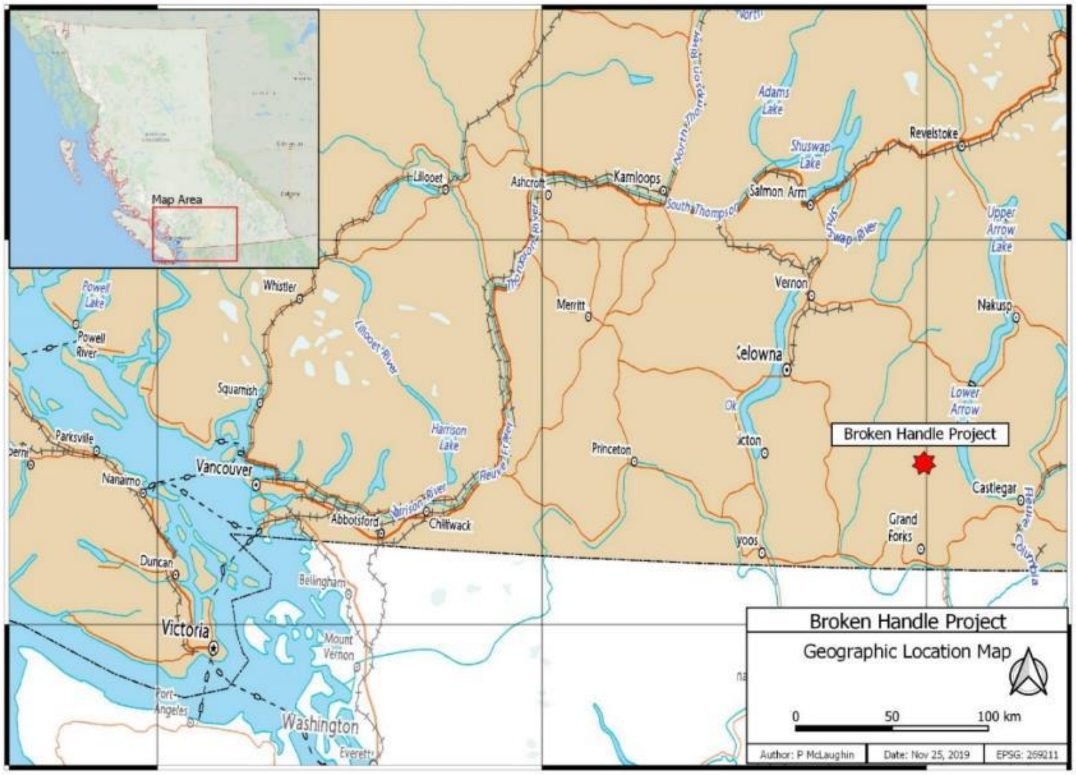

Figure 1: Broken Handle Geographic Location

Table 1: The Broken Handle Mineral Claim Information Table

Title Number	**Claim Name**	**Owner**	**Map Number**	**Issue Date**	**Good To Date**	**Status**	**Area (ha)**
1058060	BROKEN HANDLE	287125 (100%)	082E	2018/JAN/30	2023/OCT/20	GOOD	2098.33

Mineral claims within the Province of British Columbia require recognized work to maintain claim ownership.

Annual work requirements for tenures in BC are:

- $5.00 per ha for anniversary years 1 and 2;
- $10.00 per ha for anniversary years 3 and 4;
- $15.00 pe ha for anniversary years 5 and 6; and
- $20.00 per ha for all subsequent anniversary years.

In order to encourage exploration field work, cash-in-lieu payments are double the amount listed within the above schedule for meeting work requirements. Work in excess of annual work requirements may be banked and applied to future years. The annual work commitment for the Broken Handle Project mineral claim is $10,491.65 CAD to advance the expiry date by one year; the claim is currently in good standing until October 20, 2023.

A Notice of Work ("**NOW**") permit from the Ministry of Forest, Lands and Natural Resources Operations is required before commencing any activity involving mechanized disturbance. This permit will generally include a reclamation bond before final approval, and a separate permit must be issued for any timber disturbance related to the NOW. Due to the early stage of this property, no permit has been applied for nor has one been issued.

Other than the 2.5% NSR held jointly by 1218802 (1%) and Origen (1.5%), the Authors are not aware of any further royalties, back-in rights, payments or other agreements of encumbrances to which the Broken Handle Project is subject. There are also no legal impediments or other factors to limit access, title or the ability to perform any level of work on the Broken Handle Project. Further, the Authors are also not aware of any environmental liabilities associated with the Broken Handle Project and its extent occurs over Crown land and as a result there are no competing surface rights or obstructions for legal access.

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

Accessibility

The Broken Handle Project is accessed by heading north on either the North Fork or Franklin Road from Grand Forks, BC and continuing along this paved road through the Granby River Valley for 42 km (Figure 2). Here, at the '28-mile bridge' and the confluence of the Burrell Creek and Granby River, the paved highway changes to the gravel Gable Creek Forest Service Road ("**FSR**"). The Gable Creek FSR leads west for one (1) km to where it intersects the start of the Burrell Creek FSR on the right (north), which is a well-maintained all-season two-wheel-drive accessible forestry road. Access to the Broken Handle Project is gained by continuing for 7 km on the Burrell Creek FSR until reaching the junction with the Burrell West FSR. The eastern portion of the Broken Handle Project is accessed via the Burrell Creek FSR, however access to historical reverted Crown grants on the west side of Burrell Creek are gained by driving approximately 4 km up the Burrell West FSR to the junction with the McKinley FSR.

Climate

The Broken Handle Project, within the Granby River Valley, is predominantly within the Interior Cedar Hemlock Biogeoclimatic Zone ("**ICH**") of British Columbia, which is characterized by lower to middle altitudes (400-1500m ASL) within southern BC This zone is also characterized by continental climates dominated by easterly moving air masses that produce wet winters and warm dry summers. The ICH generally has one of the widest variations of conifer types, and mean annual temperatures that range from 2 to 8.7°C, a range which reflects the wide latitudinal extent of this zone. Mean annual precipitation within the ICH ranges from 500-1200 mm, of which 25-50% falls as snow during the winter months.

Further south towards Grand Forks, which is lower in elevation, the biogeoclimatic zone changes from ICH to the drier Interior Douglas Fir zone (IDF) which is characterized by warmer mean temperatures and more savannah-like conditions supporting bunchgrasses such as rough fescue. The dominant conifer species is Douglas-fir.

Due to the regional average climate conditions, most surface work is limited to May through October, however, diamond drilling and more advanced exploration can be conducted year-round.

The closest active Environment Canada weather station to the Broken Handle Project is located in Trail B.C.

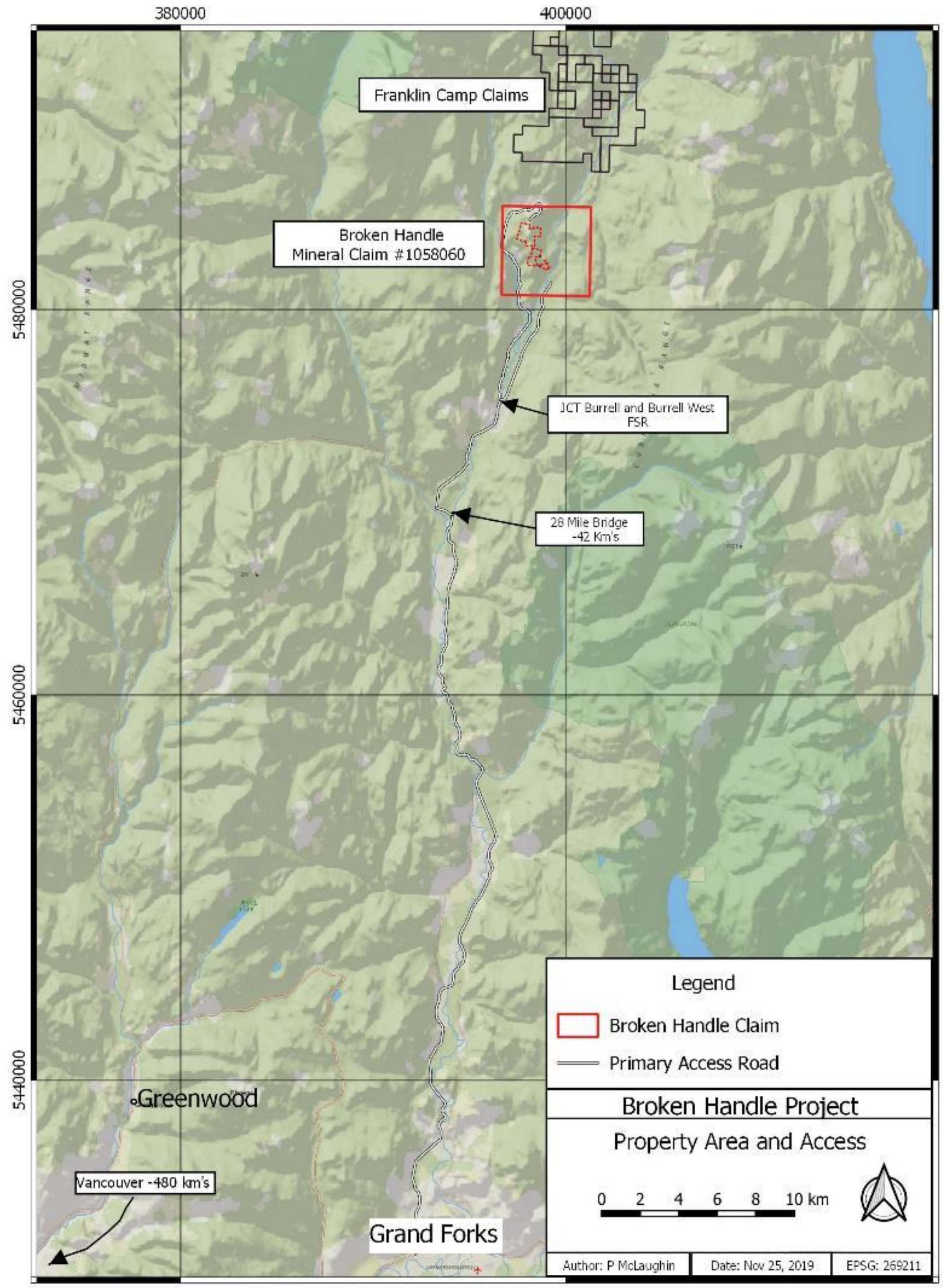

Figure 2: Property Location and Access Map

Local Resources and Infrastructure

The Boundary District, Greenwood Mining Division and Broken Handle Project area have a history rich in mining and exploration activities over the last century and as a result, experienced personnel, supplies and resources are readily available in most local municipalities. Grand Forks is less than an hour drive from the Broken Handle Project and has a population of 4,049 (2016 Census) with motels, hotels, gas stations and all essential necessities to sustain long-term field crews. Castlegar, a one-hour drive from Grand Forks, has a population of 9,023 (2016 Census) with excellent road and rail infrastructure and has all necessary supplies for field operations. Castlegar is host to a regional airport with daily service to Vancouver. Multiple fishing lodges and campgrounds, particularly along the Granby River Valley can also support smaller field crews for short periods of work.

The Broken Handle Project is an early exploration stage project with direct access to water from the Burrell Creek; other smaller named creeks and tributaries provide alternative sources. Potential sources of power to sustain a mining operation can be sourced from Grand Forks and the low voltage powerlines along the Granby River Valley. Other than topographic considerations and limitation within the current areas, there are not readily apparent construction limits to mine pits, processing facilities, tailings storage or waste disposal area, heap leach pads area or processing plant sites on the Broken Handle Project. Additional unencumbered mineral tenures can be added to the existing claim fabric if the need arises.

Physiography, Topography and Wildlife

Burrell Creek, a major tributary of the Granby River, flows SSW through the middle of the Broken Handle Project. Topographic relief within the claim area is approximately 450 m, with the highest ridge tops reaching 1,180 m above sea level. All local tributaries and creeks within the claim area ultimately drain into Burrell Creek. The terrain is generally mountainous with deeper valleys to the west of Burrell Creek. East-facing slopes tend to be significantly steeper than gentler dipping west-facing slopes. Bedrock exposures are generally low, around 5%, being more prevalent on ridges and in areas of steeper topography.

Current satellite imagery shows recent logging at various locations around the Broken Handle Project, particularly in small local cut blocks around higher elevations surrounding the Morell Group of reverted Crown grants. Current areas marked for logging on the Broken Handle Project occur on slopes east and above the Burrell FSR. Cattle have grazed here off and on in the past, but the current state of grazing is unknown.

History

Exploration History Prior to 1218802

The Broken Handle Project was staked over open ground; however, mineral titles have been intermittently staked of varying extent over the last 40+ years designed to envelope known showings and mineral occurrences. A detailed timeline and summary of exploration and ownership is described below. References to B.C. Minfile mineral occurrences are cited within this section. However, the reader is directed to "*Properties – Geological Setting and Mineralization – Mineralization*" and Section 7.3 of the Broken Handle Report for more detailed positional and technical information for individual Minfile occurrences within the tenure area.

The Broken Handle Project's tenure area has undergone two major periods of exploration and mining development since the turn of the 20th century. The initial period occurred from 1899 to some time before the 1920's on historical claims and reverted Crown grants west of Burrell Creek. This area is informally identified as Morell's Camp or the Morell Group, named after John Morell and his associates from Grand Forks who staked and explored the area in 1899 (Figure 3). Exploration interest in Morell's Camp arose simultaneously with the discovery of economic polymetallic veins of the Franklin Camp, 5 km to the north, because the Broken Handle Project was within geologically similar ground to the Franklin Camp discoveries. Notable references are made of Morell's Camp in local newspaper articles in the early 1900's as well as reports from the BC Department of Mines in the 1920's and 30's. However, mineral and exploration interest within the claim area diminished in the 1910's and lay dormant for nearly six decades until the second phase of activity that began in the 1970's, driven by new mineral discoveries identified shortly after the construction of the Burrell FSR and adjoining spur roads on the eastern portion of the Broken Handle Project.

1899 to approximately 1914: The earliest recorded exploration activity within the Broken Handle Project boundary comes from original Crown grant survey maps and work records uncovered from the Grand Forks City Archives and the British Columbia Provincial Archives between January and July of 2019. The historical documents list various types of development activities within the tenure area including trenches, prospecting pits, shafts and adits of varying length, however the details and location information within the records and claim survey sheets associated with the work is poorly documented. The documents suggest that the Broken Handle Project area comprises two groups of former Crown-granted mineral claims, collectively identified as the Morell Group. The Silver King, Silver Queen, B.C., Copper King and U.S. mineral claims comprise the northern part of the group surveyed from 1899 onwards that were converted to Crown grants (Figure 3). During the same time period, John Morell and associates of his from Grand Forks surveyed the Juditta, Lauretto, Tripolo, Black Bear and Big Raymond mineral claims in the southern group, of which the latter three were officially Crown granted (Figure 3). The Juditta mineral claim appears to have the most work and underground development in the group, however it was never officially Crown granted and there are no maps or underground data to support the completed work.

The only digitally recorded mineral occurrence within the Morell Group is the Silver Queen B.C. Minfile occurrence (L.1316S no. 082ESE108) listed as a Ag-Pb-Zn-Cu polymetallic vein. There are several historical references to the Silver Queen in newspapers and annual reports from the early 1900's. The Annual Report to the Minister of Mines from 1914 references the Silver Queen Crown grant and a 75-foot shaft set on a 5-foot-wide quartz vein where a grab[1] sample collected from the apron of the shaft assayed 1.4 oz silver, 1.0% copper and 0.5% lead (Larson and Verrill, 1914).

Another Bulletin from 1932 indicates that Morell's team of explorers commonly uncovered ores characteristically akin to those identified in the Union Mine in the Franklin Camp, in addition to quartz veins bearing small high-grade pockets of free gold (Galloway, 1932(a)).[2]

1971: *Kermeen, J.S. (ARIS 03124).* Work was performed on the Van group of claims east of Burrell Creek and North of St. Annes Creek (the WSW and ZAP showings) by Cronus Mineral Limited after logging uncovered altered and mineralized granodiorite (Figure 3). Work included a geochemical survey, bulldozer trenching, drilling, blasting and sampling. Soil geochemistry was collected at the top of the B horizon on a 1,000 x 1,400 feet grid over the Van 1 to 4 claims. Bedrock and target geology consisted of altered granodiorite cut by late feldspar porphyry bodies. A distinct zinc anomaly 700' (N-S) by 1,100' (E-W) emerged from the geochemistry data analysis. The best rock grab sample from follow-up trenching returned 0.27 % Cu, 0.50% Zn, 0.23 opt Ag and 0.003 opt Au. Claim maps, soil geochemistry results and a bulldozer trench map with results are attached to the ARIS report.[3]

1975: *Buller, W.A. (ARIS 05513).* W.A Buller completed a prospecting program on the LJ claims, resulting in the discovery of the LJ showing (B.C. Minfile no. 082ESE178).

1974-1975: *Buller, W.A. (ARIS 05535).* Mr. Buller followed up on veins discovered along the Burrell Creek FSR that were explored in ARIS 05514. The follow-up work involved staking the WSW-1 claim and opening six small trenches and coring three backpack drill holes totalling 26'5". The work program uncovered three separate showings, collectively identified as the WSW (B.C. Minfile 082ESE177), consisting of quartz-calcite stringer veins with variable amounts of chalcopyrite, bornite, chalcocite, pyrite, galena, sphalerite and occasional smears of native copper on fractures (Figure 3). One mineralized grab[4] sample from showing 2 returned 0.052 opt Au and 3.22 opt Ag. Included within the report are claim and geological maps with mineral occurrences along with drillhole location, drill logs, assay sheets and petrographic reports.

[1] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the mineral potential being evaluated.

[2] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the mineral potential being evaluated.

[3] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the material being evaluated.

[4] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the material being evaluated.

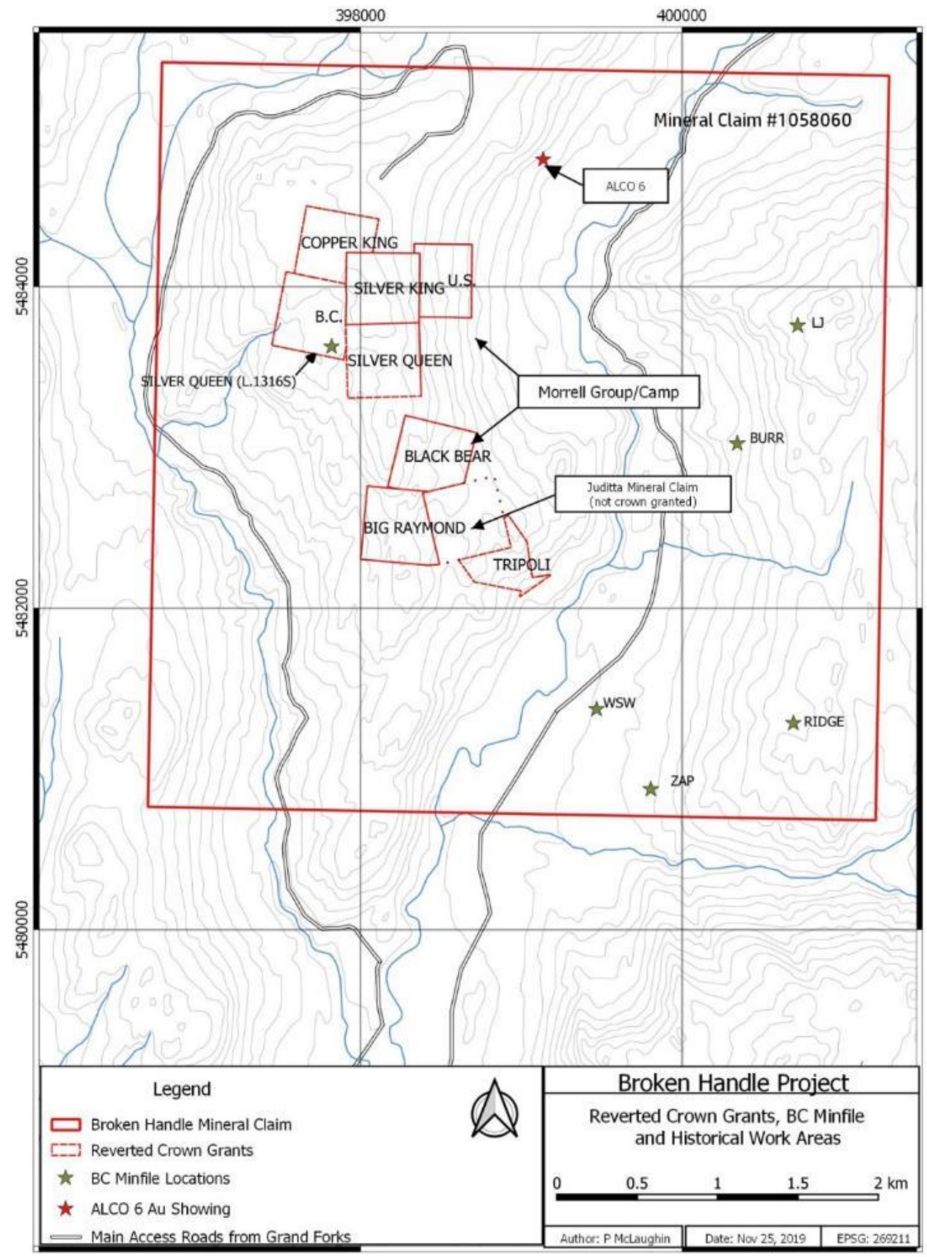

Figure 3: Historical target areas, reverted crown grants and BC Minfile locations within the Broken Handle Project

1976: *D.B. Peterson (ARIS 06018A/B).* A two-part report for Rio Tinto Canadian Exploration Ltd. describes work performed on the ALCO claims, optioned from J. Nedokus. The report covers geological, geophysical, and geochemical programs and percussion drilling on the Alco, Alco 2 and Alco 3 claims that are located north of the Broken Handle Project's claim boundaries. The following information regarding the ALCO property is nested below to explain the succession of exploration work that led to the discovery of a high-grade gold occurrence on the south boundary of the ALCO 6 claim that is located within the Broken Handle Project claim area (Figure 3).

These ALCO mineral claims were initially acquired as a copper molybdenum porphyry target when porphyry-style mineralization was identified within Nelson granodiorite intrusive rocks uncovered during blasting and construction of the Burrell Creek FSR. Results from all components of exploration during this work period were generally low and it didn't warrant further interest in the property by Rio Tinto Canadian Exploration Ltd.

1980: *D.W. Ferguson (ARIS 08610)*. The ALCO claims, still retained by J. Nedokus, were subsequently optioned to the exploration group of Brenda Mines Ltd. and additional claims, the ALCO 4, 5, 6, 7 and 8, were added to the group. All claims within the option agreement, save the ALCO 6, were located north of the Broken Handle Project boundary.

A 60.65 line-km grid was established to facilitate a geochemical and geological mapping survey. A total of 1,120 soils, seven silts and five rock samples were collected, and the results indicated that the strongest geochemical responses, particularly Cu and Mo, were isolated to Nelson granodiorite between the Union Mine road and Nicoll Creek.

1981: N. *Pitcher (ARIS 09682).* Brenda Mines Ltd. completed a four-hole BQ coring program totalling 313 m on the ALCO claims; none of the drillholes are within the property boundary. Drillhole 1 was cored 125 metres west of Burrell Creek and had the most prospective mineralization with low-grade results. The remaining three holes had no interesting results and no further work was recommended for the ALCO property.

1989: *Coffin, D. (ARIS 19504).* David and Eric Coffin staked the Burrell Property east of Burrell Creek in two claims, the Shorts and Chewmi claims. The aim was to re-establish the location of and sample the WSW and BURR showings. The work program also included ground magnetic and VLF-EM surveys and a soil geochemical grid overlying a prominent SE-NW trending VLF anomaly. Resampling the WSW showing produced values up to 1.6 ppm Au, 29.7 ppm Ag and anomalous lead and zinc results. A total of 59 rock grab[5] samples were collected which contained anomalous concentrations of copper and zinc. Five silt samples were collected from St. Anne's Creek's alluvial fan, and 29 soils samples were collected over select geophysical targets and analyzed by 31-element ICP and AA for gold. The geochemistry results highlighted several multi-element trends that require follow-up.

1991: *Coffin, D. (ARIS 22015).* The Coffin brothers returned to the Burrell Property, now composed of the Chewmi, Shorts and recently acquired Annes 1 through 4 mineral claims, to perform follow-up work from 1989. Work included prospecting, soil geochemistry, geological mapping, grid establishment and a VLF-EM survey.

The Ridge and LJ showings were resampled, with anomalous gold results of 0.5 and 1.99 ppm at the Ridge veins and 12.3 and 2.8 ppm from the LJ veins[6].

Of notable interest from this period of work is the discovery of the ZAP showing approximately 400 m ESE to SE of the WSW occurrence. The showing consists of a small blackened pod of a polymetallic replacement vein with smithsonite and pyrite. A couple of select grab[7] samples from this occurrence contained 7.99 ppm gold and 263 ppm silver, with minor amounts of lead, zinc, cadmium and copper.

A grid was established over these occurrences where 10 km of VLF-EM was completed using the Annapolis Main transmitter. The VLF survey identified a moderate to strong response 400 m long in alignment with the ZAP and WSW showings.

Recommendation for further work included expanding the property area to facilitate large-scale soil and geophysical surveys. Coffin (1992) also suggested that the proposed grid have two orientations to help with anomaly recognition across the RIDGE/LJ and WSW/ZAP vein-set orientations.

1992: *Coffin, D. (ARIS 22907).* The Burrell Property, now further enhanced with 92 claims totalling 2,300 ha southeast of the property was examined in detail by Coffin to determine the nature of alteration encountered on his

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[6] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the material being evaluated.

[7] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the material being evaluated.

original claim group. A thorough evaluation of well exposed areas of the property determined that remnants of the Eocene Marron volcanic sequence are extensive along the Granby Fault and are also the host to a majority of the previously identified alteration and mineralization occurrences.

Coffin characterizes the occurrences into two primary deposit types, copper-gold-silver skarn deposits that are an alteration product of Permo-Triassic limestone in direct contact with intrusions of the Cretaceous granodiorite suite, or gold-silver polymetallic epithermal quartz veins within Eocene and older rocks adjacent to and within regional fault structures. Both deposit types are related to past-producing mines in the region with extensive mining histories.

The RIDGE veins were further prospected and an additional 20 or more individual veins were located along a total strike length of 400 m in a N-S direction. Areas of massive silica float were also noted, however assay data from both veins and float did not return any elevated gold results.

Coffin also determined that epithermal style chlorite, quartz and feldspar alteration was identified along a 3.5 km strike of the Tertiary Granby-Burrell Fault Zone. Most of the alteration material occur within Eocene Marron Volcanic rocks in close proximity to similarly aged granite and syenite intrusions. A comparison of greenstone and adjacent rocks, which had previously been considered of Permio-Triassic or Jurassic age, within the regional Marron sequence concluded that the greenstone rocks are a part of a lower altered section of the Marron sequence.

1994: *Coffin, D. (ARIS 23464).* In 1993, Coffin further conducted 7.1 line-km's of gridding north of St. Annes Creek over which VLF-EM, ground magnetic and geochemical surveys were completed surrounding the WSW and ZAP showings. The main VLF trend identified in the 1991 survey, thought to connect the ZAP and WSW showings, was gridded in greater detail. Results for VLF-EM were favorable, showing good correlation with and expanding upon the historic survey. Ground magnetics were deemed inconclusive, with tighter sample density recommended as a follow up.

2002: *Cannon, S.W. (ARIS 27061).* A small 2-hole ARQTK core (AQ thin kerf) drilling program totalling 50.5 m was conducted on the southwest corner of the ALCO 6 claim, located within the Broken Handle tenure area (Figure 3). The two holes were cored adjacent to the old Franklin Camp road in a road cut where blast material was noted to contain significant galena, sphalerite and pyrite. Along with elevated sulphides, vein material within the road cut was sampled as bedrock grabs and assayed, revealing highly anomalous results of 242.5 and 235.6 ppm Au, as well as several other samples assaying better than 31 ppm Au.[8]

The first hole, 1-D-2002 failed to intersect any mineralization and the only lithology was granodiorite. The second hole 2-B3-2002 intercepted three silicified zones containing serpentine and pyrite between 52 and 72 feet. Assays of the silicified zone returned low grade results. The first hole was drilled within 4 m of the gold bearing structure in the road cut and the second hole was drilled nearly perpendicular to the first 100 feet away. The drilling failed to intersect anything similar in tenor or geology to the highly anomalous material sampled from the road cut.

2014: *Warkentin, D. (ARIS 34836).* The area Warkentin targeted within the Broken Handle project tenure area was the Franklin South project that included the reverted Crown grants and mineral claims within the Morell Group. Warkentin, in conjunction with work at his Franklin Camp claim group to the north, collected samples from the apron of the Silver Queen shaft and an unnamed shaft located presumably on the historic C.P.R. Crown grant for metallurgical testing. The samples collected by Warkentin from the Silver Queen shaft produced numbers consistent with those tested in the Minister of Mines report from 1914, with resultant assay numbers of 44 ppm silver and 0.53% Cu.

[8] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the mineral potential being evaluated.

Work Programs

2018 Soil Geochemical and Prospecting Program Overview

A CMG crew of three people executed a short three-day prospecting and geochemical reconnaissance program on the Broken Handle Project between October 16, 2018 to October 18, 2018. Little detailed exploration work had taken place on the Broken Handle Project west of Burrell Creek in virtually a century and as a result, two days were utilized for prospecting the Crown grant area of the Morell Group. The primary objective of the reconnaissance work was to capture, catalogue and sample old workings and assess the level of development within the target area.

A three-line east-west trending soil orientation grid with a line spacing and station density of 200 and 25 meters, respectively, was positioned over the Silver Queen Minfile occurrence (Figure 4). A total of 121 B horizon soil samples were collected over one day utilizing the sampling protocols outlined in "*Properties – Sampling Methodology, Preparation, Analysis and Security – Sampling Procedures and Sample Security*" and Section 11.1 of the Broken Handle Report.

The results from this period of work have been combined with 2019 exploration data and are collectively evaluated in greater detail below in "*Properties – History – Work Programs – 2018-2019 Soil Results and Interpretation*" and Section 6.2.3 of the Broken Handle Report.

The remaining two days were spared for prospecting, where a total of 15 various bedrock, float and grab[9] samples were collected in areas noted to have anomalous visible mineralization or from waste material or bedrock adjacent to historical workings. Samples were collected by following the procedures outlined in "*Properties – Sampling Methodology, Preparation, Analysis and Security – Sampling Procedures and Sample Security*" and Section 11.1 of the Broken Handle Report. The observations and analytical results derived from prospecting were used to advance the understanding of the property's mineral potential and trend of historical exploration activities.

[9] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the material being evaluated.

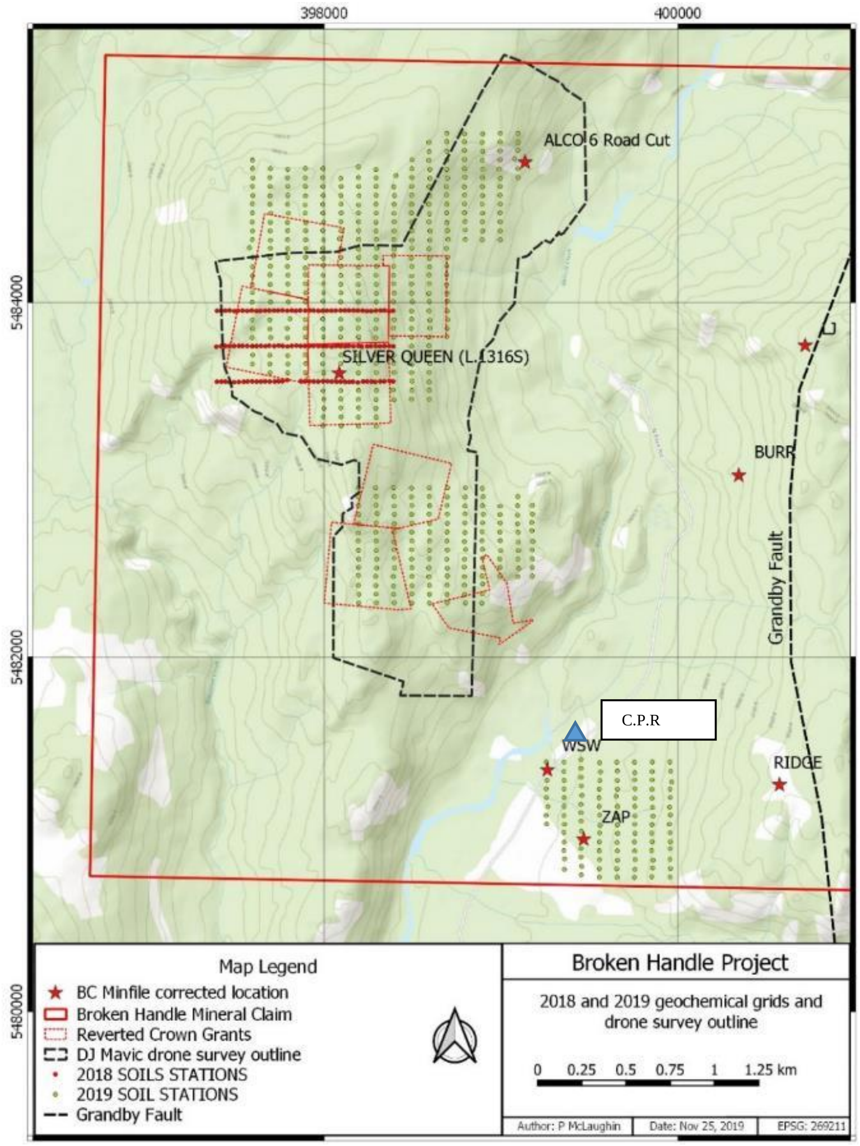

Figure 4: 2018 and 2019 Geochemical sample locations along with aerial extent of drone survey

2019 Soil Geochemical and Prospecting Program Overview

Preceding any field team mobilization and follow-up work, a small, unmanned drone survey was flown over prospective ground west of Burrell Creek. The survey was designed to provide the prospecting teams with high-resolution air photos to examine for waste dumps, trenches, rock cuts and other cultural phenomenon that would concentrate prospecting efforts for future work. A total of 54.5 line-km of grid were flown by a DJI Mavic Pro with a georectified photomosaic orthophoto deliverable that was stitched together using DroneDeploy™, a web-based grid planning and data generating software (Figure 4).

The north trending Granby Fault is interpreted as the primary feature controlling mineralization within the region and guided the initial design of the 2018 soil survey, however, prospecting during the 2018 work identified that the majority of historical exploration and development within Morell Group of claims and reverted Crown grants are primarily driven on east-west trending, steeply dipping veins, fissures and shears. As a result, the proposed follow-up soil grid was reoriented in a north-south direction. The proposed >700 site geochemical program had a line spacing of 100 m and station density of 50 m and was divided amongst two grids. The primary grid of 600+ stations was positioned over Morell's Camp and the ALCO high-grade gold showing. A smaller grid of 100+ stations was draped over the WSW and ZAP showings east of Burrell Creek. The soil sampling grids and site density were developed over the most prospective ground to facilitate a systematic but cursory evaluation of the area for prospecting.

A four-person field crew, including one Author (Mr. McLaughlin) for a portion of the work program, returned to the Broken Handle Project between August 16, 2019 to August 24, 2019 to conduct the follow up-work. Three crew members collected a total of 620 soil geochemical samples, including 15 duplicates and 15 replicates during this period (Figure 4). Areas were prioritized over the course of the program by paring down low priority sections of each grid to accommodate the budget. A detailed analysis of geochemical results is presented in the following sections.

The Author (Mr. McLaughlin) utilized his entire time on site from August 16, 2019 to August 23, 2019 to revisit areas of interest discovered in 2018, visit priority sites identified from the drone survey and to also evaluate workings and cultural artifacts. A total of 29 bedrock, float and grab[10] samples were collected from various target areas throughout the Broken Handle Project while visiting. The results and discussion from rock sampling and prospecting is presented in the following sections.

2018-2019 Soil Results and Interpretation

The Broken Handle Project area and surveyed grids lie within glaciated and covered terrain, however the grids were designed over generally elevated areas having well-developed residual soil with a thin to absent till cover. Additionally, the two grids are geographically separated by Burrell Creek, but it is assumed that surficial material and soil development are geologically and geochemically analogous to each other. As a result of the grid design, the classification and recognition of geochemical anomalies are interpreted to be true with very little mechanical transportation.

A basic statistical summary of chalcophile transition (Cu, Zn, Ag) and heavy metals (Pb, Bi) on all 741 soil samples from both seasons of work are presented in Table 2. Both the 2018 and 2019 data sets were collected, prepared and analyzed under the same workflow and thus are appropriate to evaluate collectively. As part of the data analysis the Max, Min, Median, Mean and Mode were used as a quick tool to evaluate specific element distributions. Several statistical methods were used to threshold element anomalies, with ultimately percentile being used to plot and review results. These results are also listed in Table 2.

Table 2: Basic statistical analysis of primary target elements from soil geochemistry results

	Ag ppm	Au ppm	Cu ppm	Pb ppm	Zn ppm	Bi ppm
Minimum	0.05	0.001	1	1	17	0.08
Mode	0.13	0.001	12.5	14	82	0.2
Median	0.19	0.002	17.1	15.4	84	0.23
Mean	0.228989	0.004526	21.3993	19.49649	103.1879	0.277
Maximum	1.78	0.449	260.9	519.1	1048	7.56
80th Percentile	0.3	0.003	26.72	22.3	134	0.31
90th Percentile	0.389	0.005	36.16	28.98	172.8	0.39
95th Percentile	0.51	0.0089	47.03	37.89	226.3	0.5

The distribution and timing of auriferous enrichment and its correlation to base-metal mineralization within the camp and Broken Handle Project area are interpreted to be unrelated and at this time poorly understood. After a quick review, the relationship of silver and base metal results when compared to gold is observed as non-linear. As a result, the gold results were reviewed independently of other data.

[10] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the material being evaluated.

As a result of the analyses, narrow Zn-Pb-Ag and Cu soil anomalies can clearly be delineated from the resultant processed data within the sampling area, which is not unusual given the nature of the deposit model. The narrow anomalies are clearly in alignment with E-W trending vein sets identified within the historical workings. The elemental response and anomalies from Table 2 are individually classified in Figure 5 through Figure 9.

Gold results within the soil dataset are spatially fragmented with little continuity between lines, save results from the three east-west trending 2018 soil lines over the Silver Queen and Silver King Crown grants. The anomalies along these east-west lines are low, to the east and slightly downslope of known workings but they occur across multiple stations. The multi-station anomalies are a potential response related to mechanical dispersion from the waste dumps, however the soil lines are oriented parallel to known trends and the distance across multiple station are not likely a mechanical response and could indicate the subsurface continuation of the known veins. The central line in the group also has a multi-station trend of low anomalies that possibly reflects the response of other veins under cover. An isolated, but highly anomalous result of 0.449 ppm Au is located >200 m downslope of the Silver King workings that will also require further investigation.

The copper results show a broad spread of anomalies within the Silver Queen and Silver King reverted Crown grants, appearing strongest in sample locations along strike of the known veins. This anomaly response seems to be largely coincidental with the gold results described above.

There is a broad, moderate to strong zinc and lead anomaly within a recent clear-cut north of the Copper King and Silver King reverted Crown grants. Granodioritic outcrops dominate the landscape within the anomaly area, so at this time it is difficult to determine the nature of the response and anomaly.

Soil anomalies within the grid over the ZAP and WSW mineral occurrences to the southeast are restricted to individual sampling stations with little continuity. The lack of continuity in between individual anomalies in this area may be greatly affected by a heavier till cover which exacerbates the poorly understood geological relationship between the two showings. More sampling would be recommended when additional bedrock and mineralization information can be gathered to outline a more effective grid design for the area.

Rock Sampling and Prospecting Results and Interpretation

During the 2018 season, an extensive array of underground and exploratory development was identified by prospecting teams. However, while visiting the Grand Forks archives in between work programs, it was determined that a greater amount of development had occurred at the turn of the 20th century than this initial cursory phase of field work assessed. As a result, additional prospecting was recommended to compliment the 2019 soil sampling work. The catalogue of underground and exploratory workings discovered over both seasons of prospecting are highlighted in Figure 10. Most of the workings were located within the boundaries of reverted Crown grants, with a few exceptions described below. The Silver King, Silver Queen, Black Bear and Big Raymond have an abundance of workings within the reverted Crown grants, but the Juditta mineral claim had the greatest volume of workings out of all the mineral claims.

A total of 44 various rock sample types, 15 from 2018 and 29 from 2019, were collected while prospecting. The gold and silver results of all samples are identified in Table 3 and the location details for each sample are highlighted in Figure 11. Even though the gold values from the 2018 samples are low it is important to reinforce that the selected sampling is not representative of the material being mined. Silver results from grab[11] samples collected from the Silver Queen waste dump and a shaft which Warkentin (2014) identified as the C.P.R. shaft within the CN mineral claim contained 38 ppm and 81.56 ppm Ag respectively (Figure 11).

[11] The reader is cautioned that grab samples by their very nature are selective and not representative of the material being evaluated.

The precious metal results from several target areas from 2019 are promising. Of significant interest are grab[12] samples that assayed 23.03 and 10.89 ppm Au associated with 973 and 621 ppm Ag, respectively, from the ZAP showing. The results from both samples are noticeably higher than Coffins (1991) results of 7 ppm Au. Several samples collected from the ALCO #6 road cut attempting to duplicate exceptional gold results of 235 and 242 ppm Au were unsuccessful. Bedrock composite chip samples from the showing only assayed up to 1 ppm Au and the most anomalous sample was an oxidized grab[13] sample collected from the apron of material exposed from historical blasting on the ALCO #6 showing which assayed 7.17 ppm Au and 12ppm Ag. Additional sampling from the ALCO #6 showing is needed to identify the source of highly anomalous historical assay results.

A discovery occurred on the last field day that adds significant merit to the overall prospectivity of the Broken Handle project. The Author (Mr. McLaughlin) and members of the soil team stumbled upon the remnants and presumed principal area of John Morell’s exploration and mining camp. The area, which has no MinFile information, is located halfway down the shared boundary of the Juditta mineral claim and Big Raymond reverted Crown grant. It would appear based on scant public record that this area has not been identified by any exploration group since the 1920’s or 30’s. (Figure 10).

The series of workings, from a cursory evaluation, consist of a minimum of 7 shafts, test pits and a main adit that appear to be developed on up to multi-meter wide ENE trending vein(s). The poly-metallic veins are hosted in the Harper Ranch Group of rocks at the main site and laterally extend east into an intrusive phase of the Middle Jurassic syenite up to an estimated strike length of 250 m. Although heavily overgrown, the workings are the most developed on the Broken Handle Project and the material extracted from these workings are likely those where the exceptional grades reported in the historical literature are located. Several grab[14] samples were collected from shafts waste piles that contained highly appreciable values of silver that ranged from 1 to 363ppm.

Gold results from fire assay ranged from 0.05 to 0.53ppm, however, it is important to emphasize the limited time used to evaluate this new discovery and that samples were collected from waste dumps and are not representative of the primary economic material from the site.

The discovery of John Morell’s camp and the extent of activity within the Juditta mineral claim and surrounding reverted Crown grants require a more detailed evaluation than the current project timeline and budget permitted. This area should be considered a high priority exploration target for any subsequent work program.

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[12] The reader is cautioned that grab samples by their very nature are selective and not representative of the material being evaluated.

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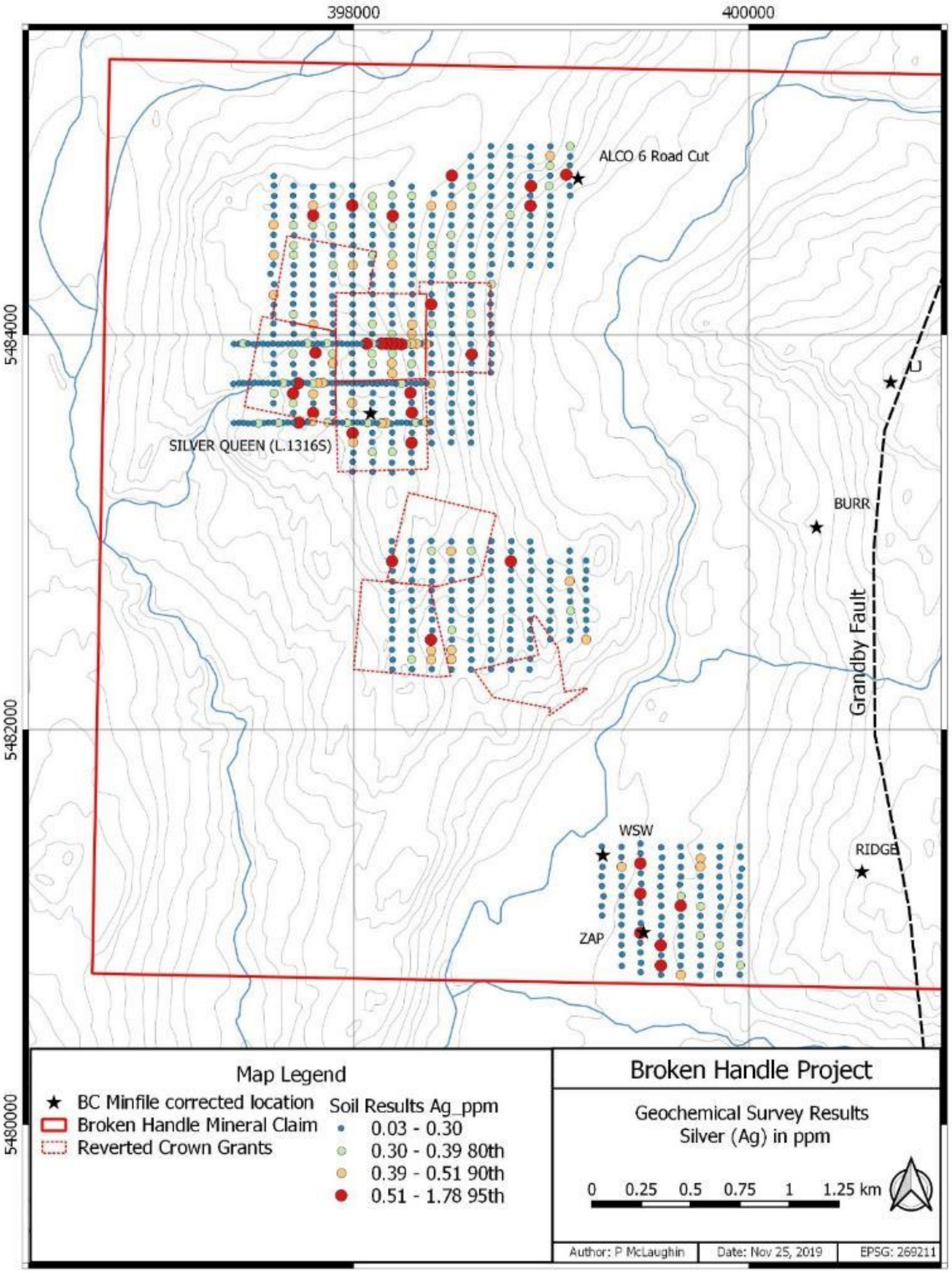

Figure 5: 2018 and 2019 Soil results for Silver (Ag)

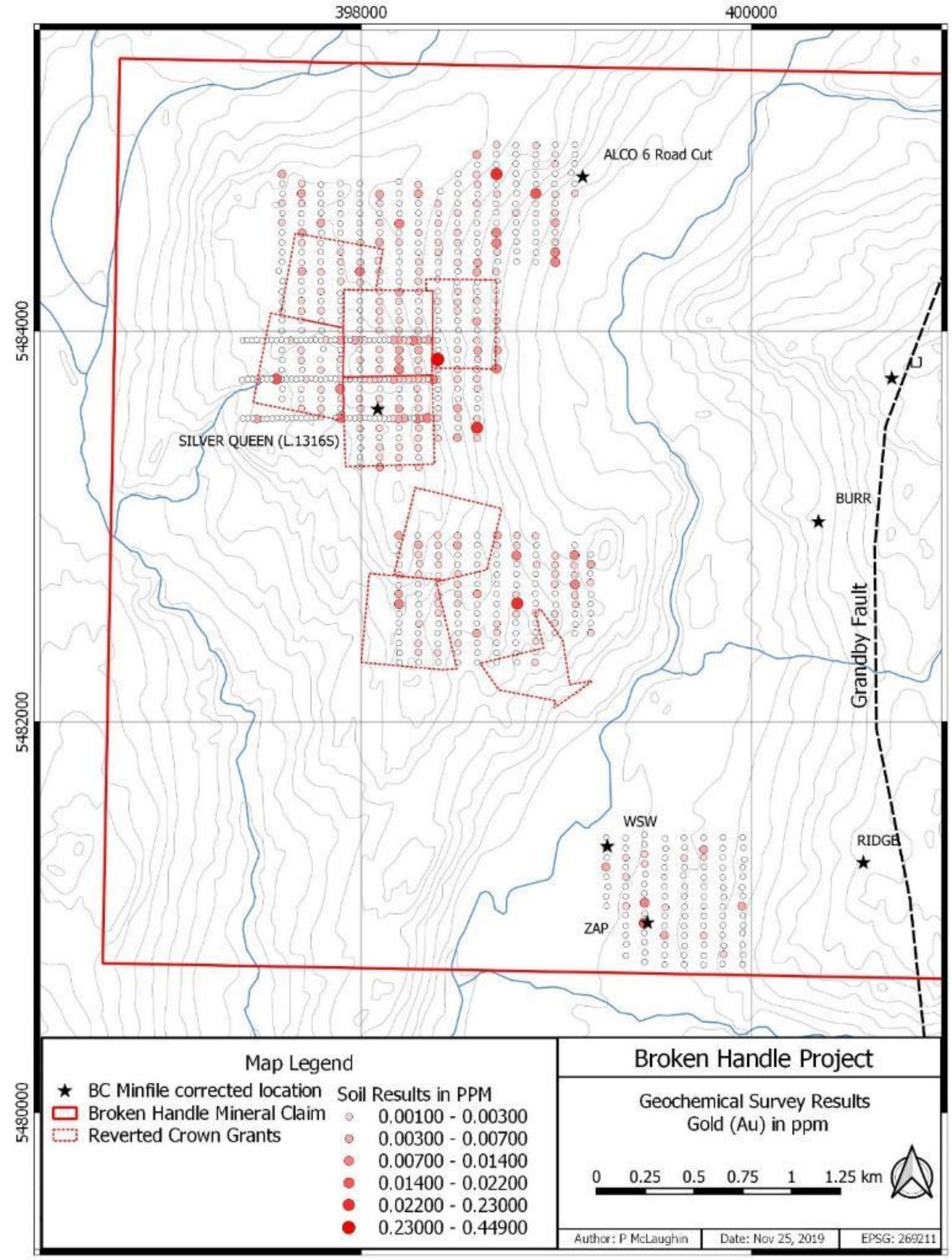

Figure 6: 2018 and 2019 geochemical results for Au

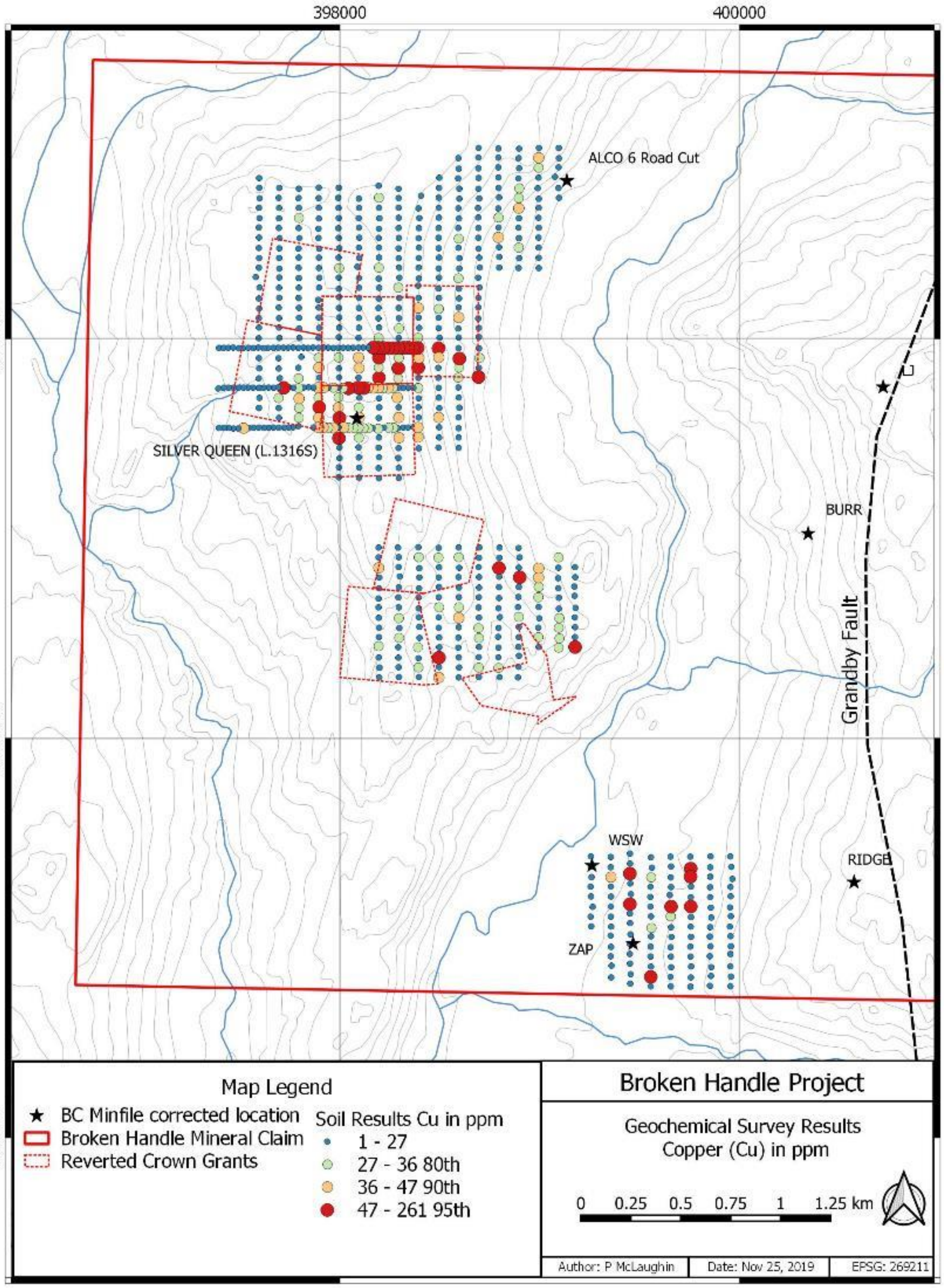

Figure 7: 2018 and 2019 geochemical results for Cu

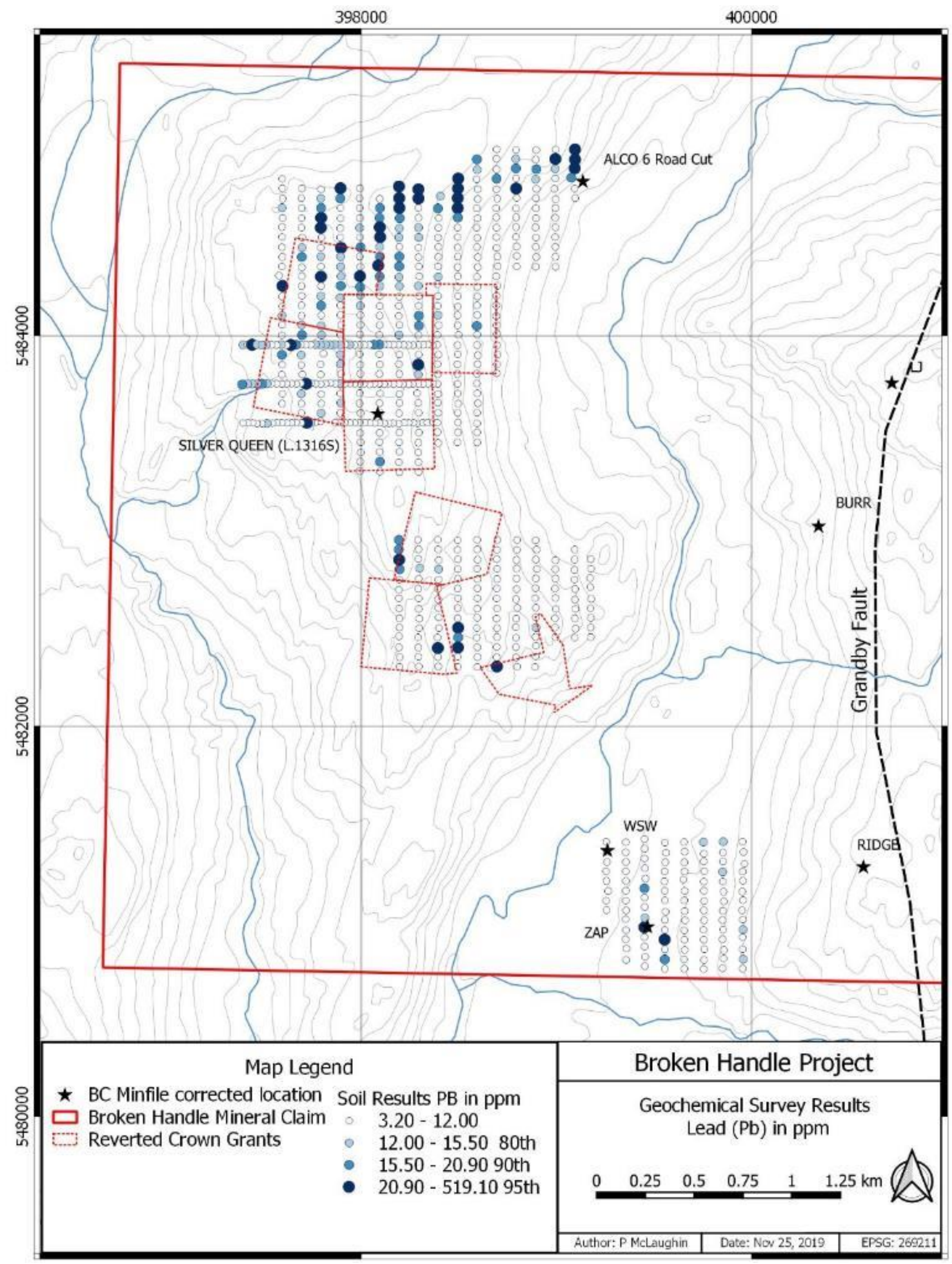

Figure 8: 2018 and 2018 geochemical results for lead (Pb)

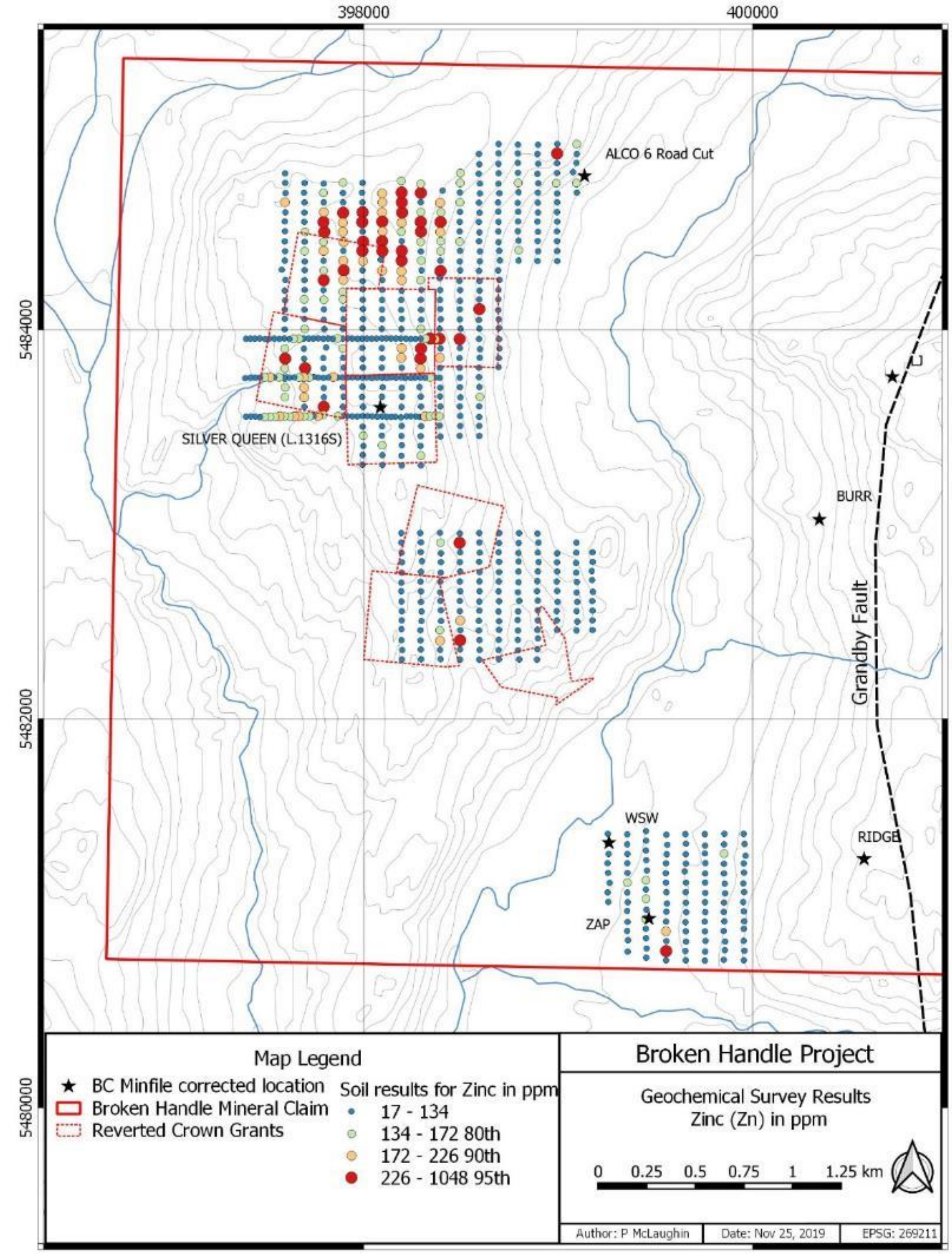

Figure 9: 2018 and 2019 geochemical results for Zinc (Zn) in ppm

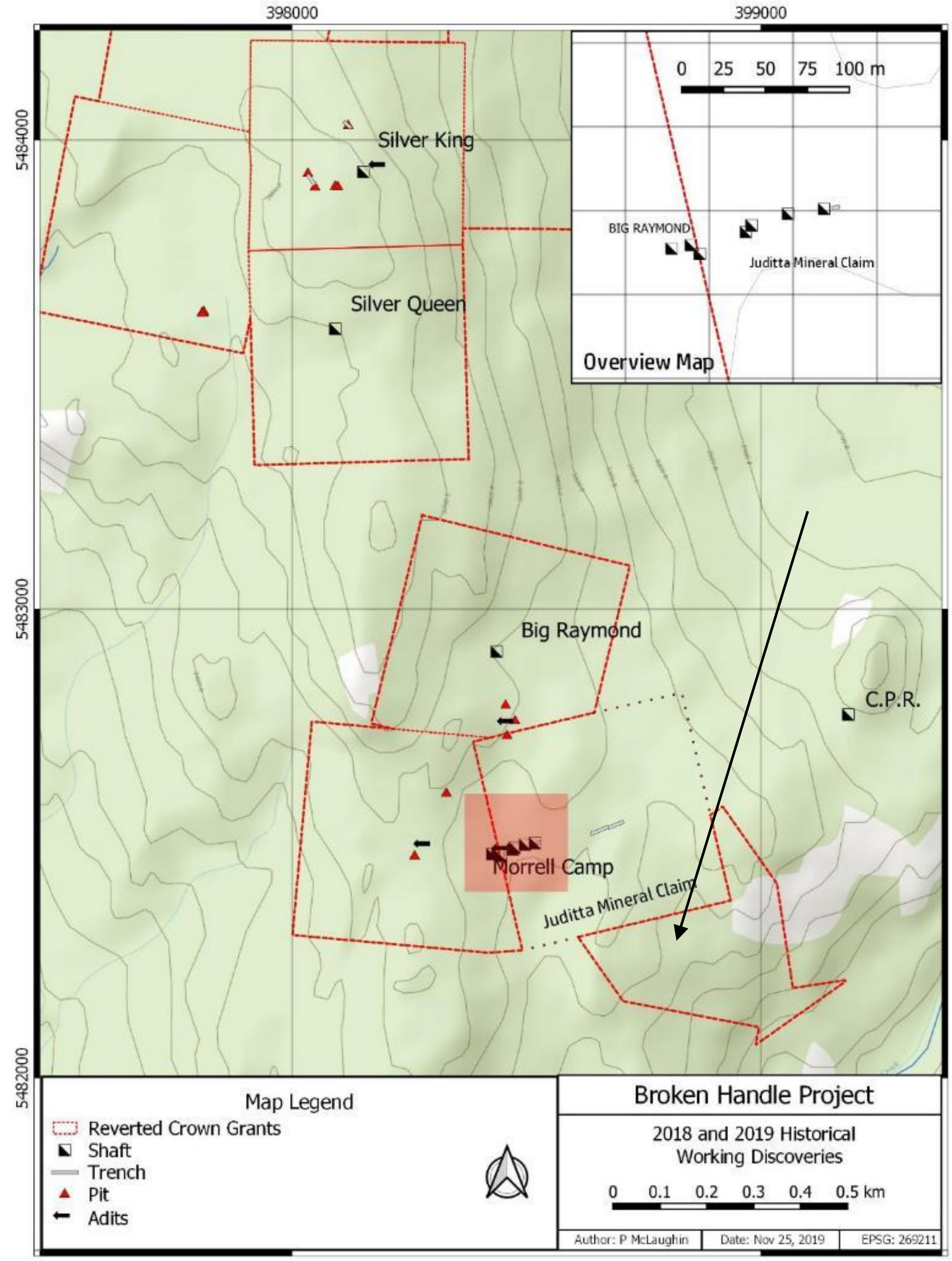

Figure 10: Level of development and historical work within boundaries of the Morell Group

Table 3: Table of base and precious metal results for 2018 and 2019 rock samples[15]

2018 Samples	Type	Au_ppm IMS117	Ag ppm IMS117	Cu ppm_ IMS117	Pb ppm IMS117	Zn ppm IMS117
1751912	grab	0.143	0.73	11.1	78.6	35
1751913	grab	0.075	58.6	15030	8.6	95
1751914	grab	0.02	4.32	196.5	6.5	37
1751915	grab	0.056	1.26	93.2	4.9	25
1751916	grab	0.022	0.79	88.8	7.9	37
1751917	grab	0.001	0.78	235.6	5.6	53
1751918	grab	0.002	0.08	13.2	0.9	11
1751919	grab	0.162	81.56	4798.7	13900	112
1751920	grab	0.007	6.62	280.5	209.1	81
1751921	grab	0.001	0.24	52.2	6.3	76
1751922	grab	0.001	0.74	270.4	8.4	31
1751923	grab	0.043	38	1178.5	23.2	59
1751924	grab	0.002	0.35	85.8	3.6	32
1751925	grab	0.027	7.83	1133.9	10.3	70
1751926	grab	0.012	0.45	6.8	5.3	17
2019 Samples	**Type**	**Au ppm FA and Met Scrn**	**Ag ppm ICP140**	**Cu_ppm ICP-140**	**Pb ppm ICP140**	**Zn ppm ICP140**
1069520	grab	0.022	12	3080	<50	30
1069521	grab	0.097	63	15320	<50	120
1069522	grab	0.101	17	650	1010	190
1069523	grab	0.031	32	1430	1070	200
1069524	grab	0.057	12	530	620	50
1069525	grab	0.043	6	270	330	100
1069526	grab	0.97	6	170	730	13990
1069527	float	0.044	7	3070	1570	170
1069528	0.4m cont c hio	0.01	1	10	420	40
1069529	0.5m cont ship	0.009	1	10	380	100
1069530	grab	0.021	1	70	630	180
1069531	grab	23.03	973	520	360	9740
1069532	grab	10.89	621	370	570	9520
1069533	grab	0.094	8	3110	800	110
1069534	grab	0.101	1	500	760	30
1069535	float	0.01	<1	40	560	60
1069536	grab	0.031	3	120	410	140
1069537	grab	0.449	315	15780	200	860
1069538	grab	0.405	234	2680	150	180
1069539	float	0.477	11	1410	850	640
1069540	0.05 m chip	1.06	3	40	290	400
1069541	grab	7.17	12	150	310	5680
1069542	grab	0.05	1	30	500	90
1069543	grab	0.05	342	630	<50	36560
1069544	grab	0.53	363	6160	60	42350
1069545	grab	0.43	44	7910	60	1.13
1069546	grab	0.05	30	320	60	1.392
1069547	grab	0.05	1	20	280	0.011
1069548	1m cont. chip	0.23	5	50	590	0.008

[15] The reader is cautioned that grab samples by their very nature are selective and not representative of the material sampled.

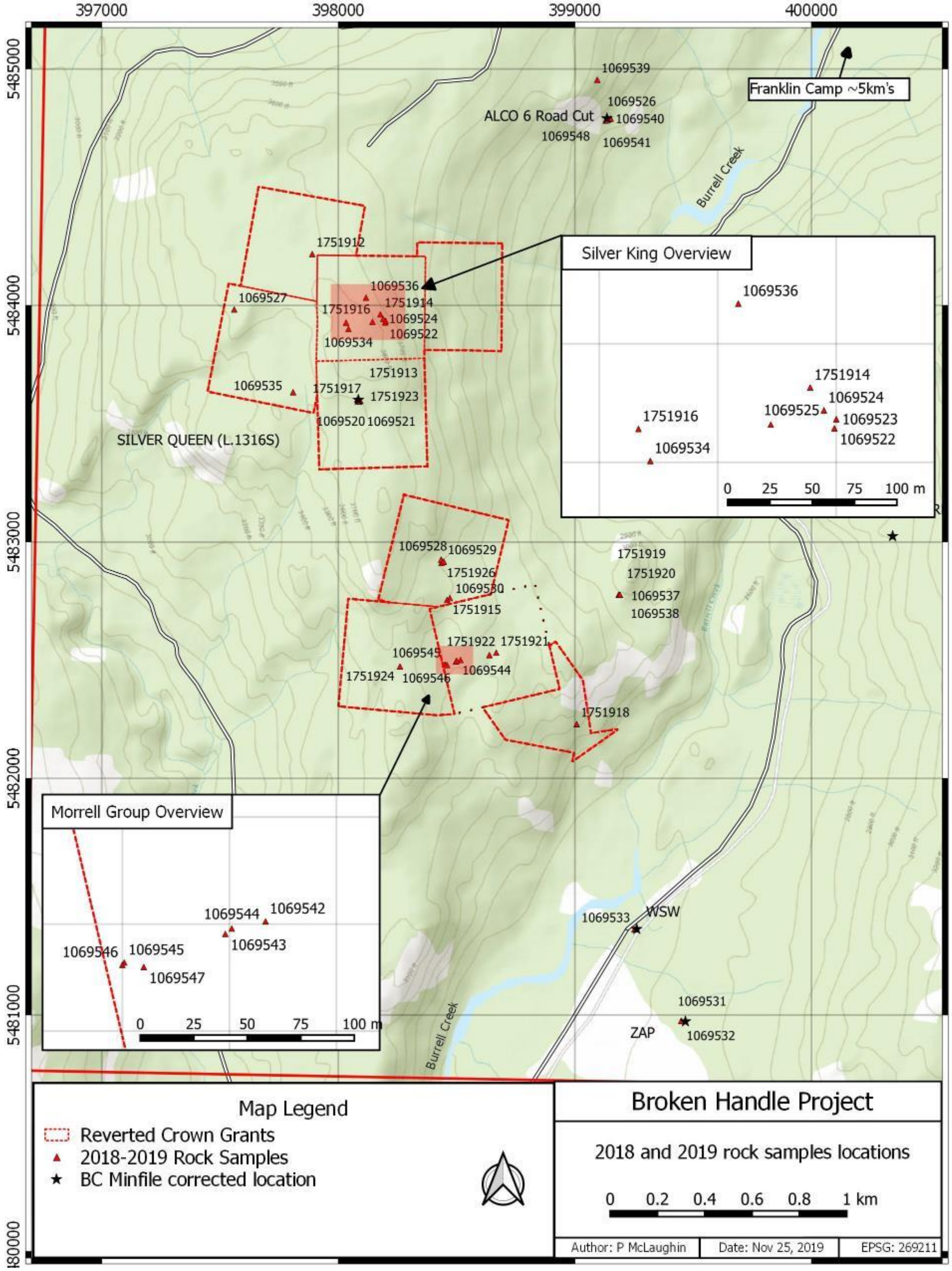

Figure 11: 2018 and 2019 rock sample locations within Broken Handle Project area (with inset for Silver King and Morell Group)

Mining History and Production

No historical production records exist, nor are the Authors aware of any past-producing mines within the Broken Handle Project and tenure area. Exploration and development activity within the region originated in the Franklin Camp at the end of the 19th century with the discovery of the Union and Homestake veins. As early as 1901, the Banner Vein had seen development, but it wasn't until the discovery of the Union Vein in 1913, after a drillhole was bored to test the silver and lead potential of the segmented vein near existing workings identified elevated gold and silver values in a silicified pocket, that significant attention was paid to the area. Table 4 highlights production numbers from producing deposits in the Franklin Camp.

Cautionary Note: The content of this section is for information purposes only. A Qualified Person has not verified the sampling, analytical and other test data underlying this historical production information. The Authors are not treating the historical production information from the Franklin Camp as an exploration target for the Broken Handle Project and advise there has been insufficient exploration by a Qualified Person to define an exploration target and it is uncertain if further exploration will result in a target being delineated.

Table 4: Historical Production from the Franklin Camp[16]

Mine	Years of Operation	Production (metric tonnes)	Gold Production (ounces)	Historical Grades
Union Mine	1913-1989	122,555	55,525.0	14.1 g/t Au, 353 g/t Ag, 0.2% Zn, 0.1% Pb
Maple Leaf Mine	1915-1916	36	2.0	1.7 g/t Au, 172 g/t Ag, 7.6% Cu
Homestake Mine	1940-1941	453	223.0	15.3 g/t Au, 30.0 g/t Ag, 0.12% Zn
McKinley Mine	1949	132	2.0	0.47 g/t Au, 215 g/t Ag, 17.1% Zn, 11.2% Pb

Geological Setting and Mineralization

Regional Geology

The oldest rocks in the region are high-grade metamorphic rocks of the Grand Forks or Monashee Gneissic Complex. They are distinctively exposed above the Granby River valley to the east along ridges and mountain tops and represent the basement rocks exposed in the footwall of the major, normal, north-trending Granby Fault that is described in greater detail below (Figure 12).

Stratigraphically above the gneissic basement rocks and more prevalent north of the Broken Handle Project in the Franklin Camp, are Late Paleozoic metasedimentary quartzites, chert, and argillites, the latter of which Drysdale (1915) observed plant impressions, and metavolcanic tuffs and various altered equivalents of the Harper Ranch Group. The Harper Ranch group of rocks are geological equivalent to the Franklin Group identified by Drysdale (1915) in the Franklin Camp as well as the Brooklyn Formation from the Greenwood Camp. This Late Paleozoic succession is directly related to economically significant veins in the Franklin Camp and has remarkable stratigraphic and lithological similarity to the Carboniferous and Permian Anarchist Group in adjacent regions and the Triassic Brooklyn Formation in the Greenwood Area, which are equally fundamental hosts to economic deposits in their respective areas.

The Harper Ranch Group rocks are intruded by a series of Middle Jurassic intrusive phases of the Nelson Plutonic Suite that are composed dominantly of granodiorite, lesser quartz-diorite and less commonly granite (Figure 12). This suite of intrusive phases ranges from massive and equigranular to porphyritic with large, subhedral, beige to pink feldspar phenocrysts in a medium- to coarse grained granodiorite matrix.

[16] BC Minfile Production Reports.

The Nelson plutonic rocks are intruded by Late Cretaceous granites of the Okanagan Batholith that form the primary axis of the nearby ranges. The Late Cretaceous granites, similar to rocks farther east defined by Little (1960) as the Valhalla plutonic rocks, are difficult to distinguish from granitic rocks of the Nelson plutonic suite.

The youngest intrusive rocks in the region are alkalic to sub-alkalic plutonic rocks of the Middle Eocene Coryell Intrusions that underlie a large part of the region but are dominantly restricted to the Granby and Kettle River faults. These intrusions range from coarse-grained pink syenite with less than 10% biotite/hornblende to coarse-grained monzonite.

Up to several hundred metres of Eocene, dominantly detrital sediments from the Kettle River Formation of the Penticton Group unconformably overlie the Harper Ranch Group and all intrusive phases described above. This unit contains feldspathic grit with rare plant fossil material and crossbedding, ripple marks and small scour structures which indicate a shallow-water or alluvial fan deposit (Drysdale, 1915). Clasts and detrital material within this succession are dominated by the material from the underlying Harper Ranch Group, however Caron (2005) identified clasts of mafic alkalic intrusions of the Averill Plutonic Complex for which Drysdale (1915) identified as Eocene in age. Subsequently, K-Ar dating by Keep (1989) indicates Jurassic ages.

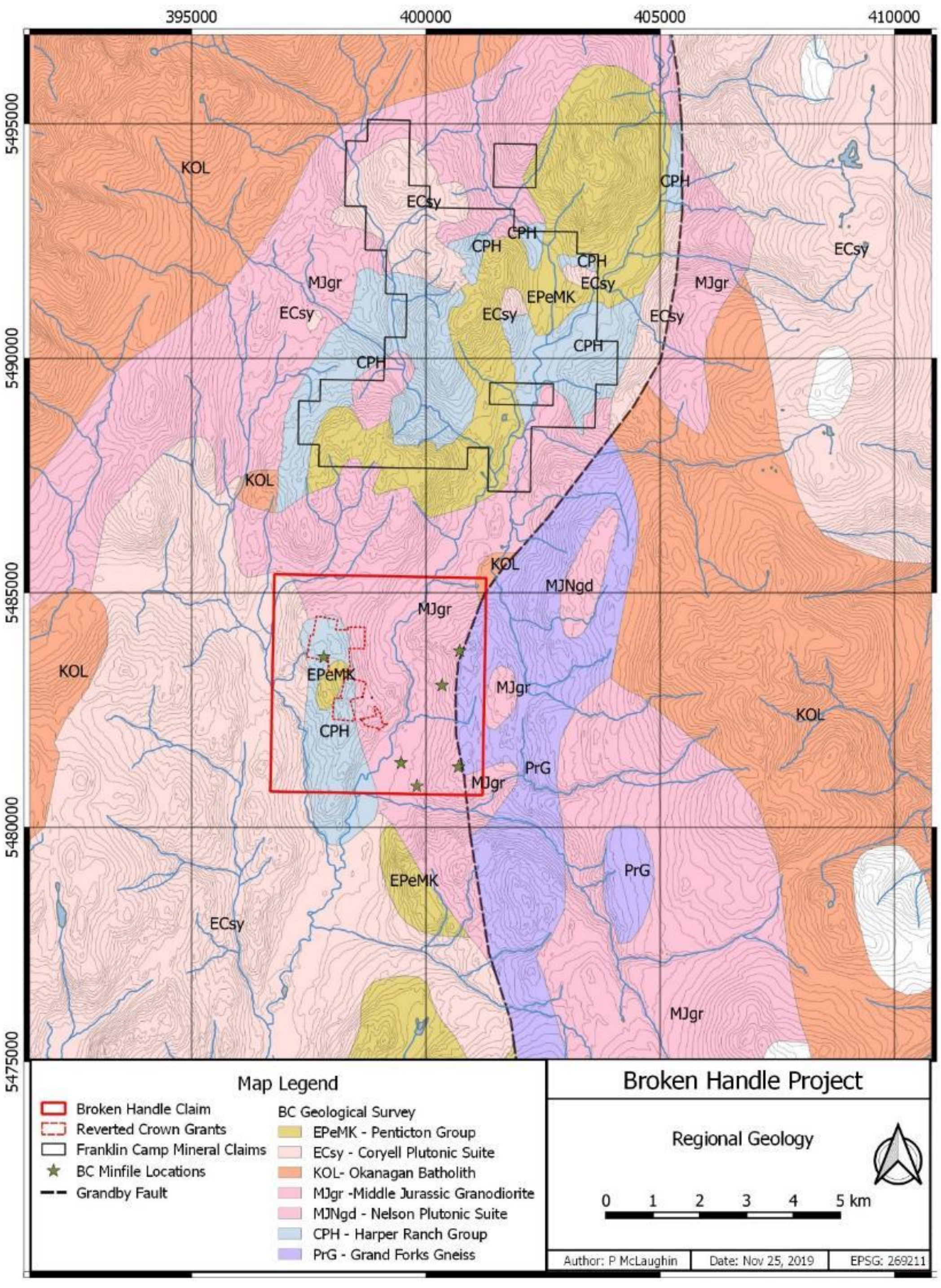

Figure 12: Broken Handle Project regional geology

The Averill Plutonic Complex, located solely within the Franklin Camp, comprises five primary phases of mafic alkalic intrusions ranging in composition from pyroxenites to syenites that are spatially associated with mineralization in the camp. No exposures of mafic alkalic intrusion of this type are identified within the Broken Handle Project claim area.

The Harper Ranch Group and Kettle River Formation are contemporaneously overlain, with unconformable relationships identified locally, by the Eocene Marron Group volcanic rocks that vary in composition from alkalic basalt to trachyte and range from well-banded tuffs to blocky tephra flows (Drydale, 1915 and Figure 12). The Marron group of rocks outcrop at higher elevations across the Broken Handle Project or at the top of depressed graben structures.

The major structures in the region are dominated by north- and northwest trending, shallow dipping normal faults indicating a period of extension during the Tertiary Period in southern BC. The faults and graben structures within the valley played a large role in the distribution of intrusive bodies and related mineralization.

Property Geology

The Broken Handle Project area comprises only a small sector of the region and as a result the exposed bedrock geology is limited. The Broken Handle Project is structurally divided by the north-trending, normal Granby Fault where the basement rocks of the Grand Forks Complex are exposed in the uplifted horst of the Granby Fault at the highest elevations to the east (Figure 13).

The hangingwall rocks of the Granby Fault graben are composed predominantly of various intrusive phases of the Nelson Plutonic suite and to a lesser extent syenites of the Coryell Plutonic suite. Overlying these intrusives, covered by the Morell Group of reverted Crown grants, lies a 5 by 1 km north-south oriented pendant of Late Paleozoic sedimentary rocks of the older Harper Ranch Group and younger Marron Group volcanic rocks.

The Eocene-aged Marron Group of undivided volcanic rocks that overly the Harper Ranch group have been strictly observed within the Morell Group of mineral claims and reverted crown grants and is reflected in the publicly available Government spatial data (Figure 13).

The west-dipping normal Granby Fault is the main structural feature controlling mineralization within the tenure area and studies conducted by Laberge and Pattisson (2007) indicate depth

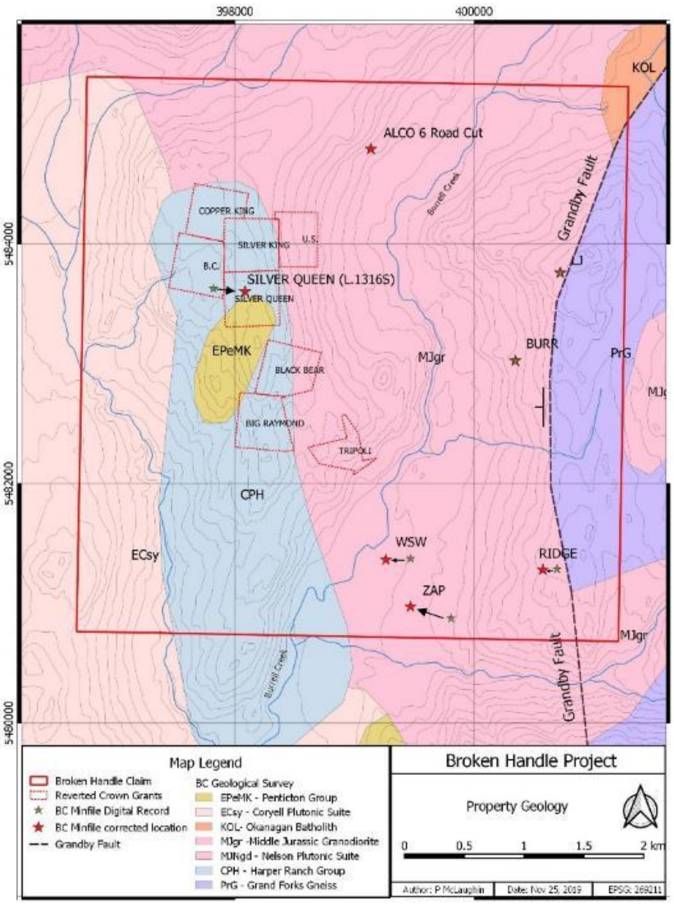

Figure 13: Property geology map of the Broken Handle Project including corrected location details of known BC Minfile occurrences within the tenure area.

contrasts along the fault are as significant as 5 kilometres in places. The Granby Fault juxtaposes Coryell intrusive rocks within the hangingwall to high-grade metamorphic rocks of the Grand Forks Complex of the footwall within the tenement boundaries. This high-level brittle structure is marked by brecciation, localized chloritic alteration and minor splays or various attitudes that are more prevalent north of the Broken Handle Project in the Franklin Camp.

Mineralization and mineral occurrences west of Burrell creek observed within historical workings appear to be related to steeply dipping E-W polymetallic sulphide-bearing shear and fissure veins hosted within a variety of green to limey green metasedimentary rocks of the Harper Ranch and Penticton Group rocks. Contact hydrothermal alteration, where present, occurs in the form of silicification and skarn-like mineral assemblages where lodes are in direct contact with limey horizons within Harper Ranch Group rock types.

Mineralization

Several styles of mineralization have been identified within the Broken Handle Project boundary that are characterized by six Minfile occurrences. B.C. Minfile occurrences contain geological, location and economic information on a collection of metallic, coal and industrial minerals as well as deposits, showings and other forms of developed projects across the province of British Columbia. The positional information on each occurrence is often to some degree inaccurate and they would have to be officially surveyed to be precisely located. The B.C. Minfile occurrence location information on the property have positional discrepancies of up to 400 metres for some showings. However, after reviewing historical reports and maps, there is some confidence in determining the locations of the Silver Queen, ZAP, ALCO 6, WSW and RIDGE showings. A description of MinFile occurrences on the Broken Handle Project are described in the Broken Handle Report and the locations of which are illustrated in Figure 13.

Silver Queen (L.1316S) (082ESE108). A 1.5 metre quartz vein is exposed on surface containing pyrite, chalcopyrite and galena. A shaft reported to be 22.8 metres deep was sunk on the vein but is full of water. The claims reverted shortly before or after World War Two. The Silver Queen is incorrectly located within the B.C. MinFile records and its location is 275 m farther ESE. The Silver Queen is characterized as an Ag-Pb-Zn +/- Au polymetallic vein. New location by UTM is 398085mE/548360mN (NAD 83: EPSG 26911).

LJ (MINFILE No. 082ESE178) – Magnetite, pyrite, galena and chalcopyrite occur in shattered quartz veinlets in sheared and silicified granodiorite. Tourmaline and native gold have also been noted. Grab[17] samples from the area in 1992 by Coffin assayed 9.72 g/t Au and 2.62 g/t Au (Coffin, 1992). The LJ Minfile is characterized as a Ag-Pb-Zn +/- Au polymetallic vein.

BURR (MINFILE No. 082ESE136) - Pyrite, sphalerite and chalcopyrite occur in a highly-fractured east-west trending zone in porphyritic granodiorite. Assay data has not been located.

RIDGE (MINFILE No. 082ESE273) - A 250 m x 500 m siliceous/argillic alteration zone is found in intrusive rocks near the Granby fault. A series of narrow pyritic quartz veins flank the zone with grab[18] samples assaying up to 1.99 g/t Au with lead and copper (Coffin, 1992). Twenty veins have been discovered to date. New location 400573mE/5481279mN.

ZAP (MINFILE No. 082ESE271) – A blackened and heavily oxidized stringer pod of chalcopyrite, galena and sphalerite mineralization with smithsonite and minor pyrite occurs within intermediate volcanic rocks. The showing consists of a 40 cm long vein approximately 5 up to 10 cm-wide pods of polymetallic sulphide mineralization. Grab[19] samples have assays with results up to 6.27 g/t Au and 245.9 g/t Ag associated with elevated lead, zinc and copper numbers (Coffin, 1992). New location 399465mE/5480975mN.

WSW (082ESE177) – Chalcopyrite, bornite, chalcocite, pyrite, galena and sphalerite occur in quartz-calcite veins within greenstone/limestone. Native copper has been noted along joint planes. Grab[20] sample assays have run up to 0.66 g/t Au, 87.6 g/t Ag, 1.48% Pb and 5.66% Zn (Coffin, 1992). New location 399261mE/5481362mN.

Deposit Types

Mineralization and their associated deposit models within the region, and the primary focus for current work in the tenure area, is summarized below and largely focuses on the detailed studies of the Franklin Camp and Burrell Creek area by Drysdale, and other subsequent workers within recent mineral exploration assessment reports.

Drysdale (1915) and others recognized that the economic mineralization within the region can be broadly classified into four categories, of which the three listed below are within the Broken Handle claim boundary. The deposit types described below are referenced from British Columbia Mineral Deposit Profiles, which is a summary of the types of mineral deposits in BC and includes a description of host rocks, mineralogy, alteration, tectonic setting, association, genetic models and exploration guides along with economic examples with grade and tonnage.

In order of historical importance, these four types are present on the Broken Handle Project:

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[17] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the mineral potential being evaluated.

[18] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the material being evaluated.

[19] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the material being evaluated.

[20] The reader is cautioned that grab samples by their very nature are selective and therefore not representative of the material being evaluated.

1. **I05:** Polymetallic Veins Ag-Pb-Zn +/- Au: Clastic metasediment-hosted silver-lead-zinc veins along with silver/base metal deposits. The primary economic fissures and sheared lodes within the Broken Handle Project boundary tend to have steeply dipping geometries predominantly in an east-west direction, have formed within structurally controlled, high-angle zones to the Granby Fault in the late Paleozoic Harper Ranch Group of rocks. The timing of mineralization does not appear to be directly related to intrusive rocks, may have formed after the deposition of the Kettle River Formation, and during the events relating to the Marron volcanic flows. The Union Mine in the Franklin Camp and the reverted Crown grants in Morell's Camp are characteristic of this type.

2. **K01:** Contact metamorphic (Skarn): Copper-lead-zinc-silver-gold deposits. Limestone and marble lenses within the Anarchist Group in contact with intrusive bodies of the Paleozoic rocks afford skarn development. Peatfield (2001) has referred to these types of mineralized occurrences as "Poly-metallic skarn" types. Ray (1995) describes these contact-driven metasomatic deposits as copper-sulphide dominant that are genetically associated with skarn-like gangue minerals where felsic plutonic rocks are in contact with continental margin carbonate sequences similar to the Paleozoic Harper Ranch Group.

3. **I01:** Au Quartz Veins: Eocene epithermal gold mineralization which characterizes the RIDGE, BURR and LJ Minfile mineral occurrences east of Burrell Creek. These types display quartz veining with some degree of brecciation or fracturing associated with pyrite mineralization and primarily occur along north to northwest trending faults related the Granby fault or subsidiary splays.

Current Exploration

The Company has conducted no exploration on the Broken Handle Project since its acquisition.

Drilling

No current drilling has been conducted on the Broken Handle Project that the Authors are aware of.

Sampling Methodology, Preparation, Analysis and Security

Sampling Procedures and Sample Security

Soil sampling team members in both 2018 and 2019 were assigned predefined sample locations in UTM co-ordinates that were pre-loaded to their individual GPS unit. Location information was captured using Garmin 64s instruments. Soil samples were collected by digging a shallow hole through the vegetative cover and B horizon using Geotools. An approximate 300 to 500-gram sample of the B horizon, or the material most representative of the B horizon was placed into a Kraft paper bag and labelled with the line, station and a unique ID number. Duplicate and replicate samples were collected and inserted in to the sampling stream at a rate of 2.5% each.

Due to the effects of recent logging and heavy equipment work within the sampling grid, samplers were provided some discretion and could deviate from the planned site up to a circular radius of 12 m from the proposed site if a less disturbed soil could be otherwise collected.

Soil station ID and number, 3D co-ordinates (UTM NAD83, Zone 11N also identified as spatial reference system EPSG 26911), soil type, sample depth, colour, moisture, percent clay, silt, sand and rocks, slope direction and angle, cover, parent material type, bedrock lithology and general comments comprise the list of categorical data captured during the sampling process at each site. Each soil sample site was marked by a piece of flagging tape labelled with the appropriate sample number that was hung on the nearest shrub or tree.

Approximately 2 kg of material was collected and placed in a polyethylene bag for all rock samples, whether grab, outcrop, subcrop or float. The site was marked with a string of flagging labelled with the sample numbers hung from a nearby shrub or tree and an additional piece of flagging tape marked with the sample number was wrapped around a representative specimen of the collected samples and placed back on the ground where it was collected. A general lithological description accompanied each sample, when possible, along with sample type (bedrock, grab, etc.), 3D co-ordinates (EPSG26911) and comments on any surrounding structures.

All rock and soil samples were brought back to camp near Grand Forks, unpackaged, organized for completeness and re-packaged into polyethylene bags where the sample sequence of the contained material was written on the outside of the bag.

The polyethylene bags of samples were further packed in standard rice bags in sequential order and appropriately labelled with the MSA Labs address in Langley and the CMG office address in Vancouver.

To maintain a best practice protocol for sample chain of custody, rock and soil samples from both 2018 and 2019 work programs were driven from Grand Forks and hand-delivered, along with sample submittal and requisition forms, by CMG personnel to MSA Labs receiving door in Langley.

In the opinion of the Authors the sampling procedures, selected sample medium, sample preparation and analytical procedures are appropriate for the work that was conducted.

Laboratory Preparation and Analytical procedures

MSA Laboratories at Unit 1, 20120 102nd Avenue in Langley is an ISO 17025:2005 accredited laboratory with 25+ years of experience analyzing geological materials. MSA Labs holds no direct or indirect interest in the Broken Handle Project.

Soil samples from both the 2018 and the 2019 seasons were prepared using MSA Labs prep PRP-757 where samples are dried and screened to 80 mesh. The plus (+) fraction is discarded and the minus (-) fraction is sent for analysis. All samples were analyzed by code IMS-117 which requires that a 20-gram subsample is collected from the minus fraction and subjected to a dilute aqua-regia digestion of hydrochloric and nitric acids and analyzed using an ICP-MS and ICP-ES for a suite of 39-elements (Figure 14). This dilute digestion ensures the soil sample matrix of refractory minerals remain undissolved creating a better anomaly to background contrast for anomaly recognition.

Multi-element ICP-MS and ICP-ES (39 elements) Trace Level – Aqua Regia

DETECTION RANGE (IN PPM UNLESS OTHERWISE NOTED)						CODE
Ag	0.05 – 100	Ga	0.1 - 10,000	Sb	0.05 - 10,000	
Al	0.01% - 25%	Hg	0.01 - 10,000	Sc	0.1 - 10,000	
As	0.2 - 10,000	K	0.01% - 10%	Se	0.2 - 1,000	
Au	1 ppb - 25 ppm	La	0.5 - 10,000	Sr	0.5 - 10,000	
B	10 - 10,000	Mg	0.01% - 25%	Te	0.05 - 500	Dilute aqua regia
Ba	10 - 10,000	Mn	5 - 50,000	Th	0.2 - 10,000	IMS-116 0.5g
Bi	0.05 - 10,000	Mo	0.05 - 10,000	Ti	0.005% - 10%	IMS-117 20g
Ca	0.01% - 25%	Na	0.01% - 10%	Tl	0.05 - 10,000	IMS-118 40g
Cd	0.05 - 1,000	Ni	0.01 - 10,000	U	0.05 - 10,000	
Co	0.1 - 10,000	P	10 - 10,000	V	1 - 10,000	
Cr	1 - 10,000	Pb	0.2 - 10,000	W	0.05 - 10,000	
Cu	0.2 - 10,000	Re	0.005 – 50	Y	0.5 – 500	
Fe	0.01% – 50%	S	0.01% - 10%	Zn	2 - 10,000	

Figure 14: MSA Labs IMS-117 analytical suite of elements

Rock samples from 2018 were prepared by code PRP-915 whereby the entire sample is dried and crushed to where 70% of the sample passes screening at 2 mm. Each rock sample was subsequently subjected to two analytical techniques, a multi-element ICP (IMS-117) and metallic screen analysis (MSC-500) detailed below.

1) IMS-117. A 500 g sub-sample was collected from the initial crush and further pulverized using a chromium-steel ring pulverizer where 85% of the subsample passed 75 µm. A 20 g aliquot from the pulp was subjected to a dilute aqua-regia mixture of acids and analyzed by a 39-element ICP-MA and ICP-ES trace level package (Figure 14). No rock samples exceeded the upper limits of detection for this package.

2) MSC-550. A 500 g sub-sample from the initial rock sample crush was sent for metallic screen analysis (MSC-550). Samples are prepared to ensure particle separation, homogeneity and representation by this method which is regarded as a more accurate quantitative tool for metallic minerals, particularly gold, than simple fire assay. The entire 500 g sub-sample is pulverized and screened to 106 µm using a ro-tap assembly. The entire plus (+) fraction, presumably metallic grains if present, is assayed to extinction by fire assay followed by a gravimetric finish. Two 50 g aliquots from the minus (-) fraction are riffled and submitted to the lab for analysis by 50 g fire assay with a gravimetric finish. Final assays are weight ratioed back to the initial representative sample weight.

Rock samples from 2019 were submitted to MSA Labs with the prep code (PRP-915). However, the majority of samples from this follow up season were noted to have an abundance of polymetallic sulphides. As a result, a 33-element ore-grade ICP package (ICP-140) with a true aqua-regia digestion was used for the multi-element analysis (Figure 15). Two separate precious metal analyses were used on rock samples from 2019. Exploration grab samples from float, small blast pits, adits and trenches were assayed for gold by fire assay using a 30 g fusion size with an atomic absorption spectroscopy (AAS) finish (FAS-111) with detection limits of 0.005-10 ppm Au. Samples assumed to contain elevated precious metals, particularly those from the ALCO 6 high-grade gold occurrence and the workings around the Morell Camp, were subject to a fire assay with a 30 g fusion size and a gravimetric finish (FAS-415) with detection limits of 0.05 to 1,000 ppm Au.

Multi-element ICP-ES (33 elements) Ore Grade – Aqua Regia

DETECTION RANGE (IN % UNLESS OTHERWISE NOTED)						CODE
Ag	1 - 1,500ppm	Fe	0.05 - 50	Pb	0.001 - 5	
Al	0.05 - 50	Ga	0.005 - 5	S	0.05 - 10	
As	0.001 - 10	Hg	0.001 - 5	Sb	0.001 - 5	
Ba	0.005 - 5	K	0.05 - 50	Sc	0.001 - 5	
Be	0.001 - 5	La	0.005 - 5	Sr	0.001 - 5	True aqua regia
Bi	0.001 - 5	Mg	0.05 - 50	Ti	0.05 - 50	ICP-140
Ca	0.05 - 50	Mn	0.01 - 25	Tl	0.005 - 5	
Cd	0.001 - 1	Mo	0.001 - 5	V	0.001 - 5	
Co	0.001 - 5	Na	0.05 - 50	W	0.005 - 5	
Cr	0.001 - 5	Ni	0.001 - 5	Zn	0.001 - 15	
Cu	0.001 - 10	P	0.005 - 25	Zr	0.001 - 2	
Individual elements available upon request					ICA-6xx*	

*insert element symbol for (xx).

Figure 15: MSA Labs ICP-140 Multi-element ICP-ES ore grade analysis used for rock samples in 2019

QA/QC

The scale of the work program in 2018 was too small to warrant the development of an internal QA/QC program. That being said, MSA Labs conducts a rigorous series of internal QA/QC lab data verification processes that include using duplicates, industry certified blanks and standards within their testing. MSA Labs internal QA/QC measures incorporate different control samples at a rate of approximately 1 in 12 client samples and are evaluated for accuracy prior to the release of results.

Field replicate and duplicate soil control samples were inserted into the sampling stream at 2.5% each during the 2019 work. Replicate samples were collected from a separate site approximately 1 meter away and utilized the exact same collection procedures as the site being replicated. Duplicate samples were collected at the same site as the initial sample. This level of quality assurance would only qualify the reproducibility of soil results. In the opinion of the

Authors, the sample preparation, analytical methods and QA/QC methods used both in the field and later during analysis at MSA Labs are suitable for the work conducted and appropriate for the early exploration stage of the Broken Handle Project.

Data Verification

The Broken Handle Project has several zones of historical mineralization that were explored in the late 1800’s and early 1900’s but for which little to no documentation is available. Most of the old workings are badly sloughed or flooded or impassable so that mineralization, where present, is not well exposed. There has been no attempt by the Authors to verify historical data on the undocumented historical work.

The most current work (2018-2019) was completed by CMG who implemented rigorous field procedures to ensure QA/QC measures, including photography of all rock samples submitted for assay, daily verification of recorded GPS and sample data, and secure on-site sample storage. MSA Labs also prepared their own QA/QC methods by systematically inserting standards, blanks and replicates into sample batches at the lab level that returned expected results.

The senior Author (Mr. MacDonald) has reviewed the sampling and handling procedures, the analytical lab results, and the quality assurance and quality control measures from the 2020 and 2021 CMG field programs. Original laboratory certificates and details regarding sample preparation, analytical methods and security are available and well-documented in the public domain covering the recent exploration field programs. The senior Author (Mr. MacDonald) confirms that the documented work programs accurately reflect data presented in the Broken Handle Report.

It is the senior Author’s (Mr. MacDonald) opinion that the verification procedures carried out, including independent sampling, are adequate for the purposes of the Broken Handle Report and that data is reliable for the purposes of inclusion in the Broken Handle Report and the recommendations made in the Broken Handle Report.

The senior Author (Mr. MacDonald) visited the Broken Handle Project on August 11, 2022 for a site inspection. Three check grab samples were taken from exposed muck found on surface at the apron of the underground workings. The sampling was by its nature selective and therefore not representative of the material observed in shafts or adits; nor could it exactly replicate sampling completed at the same sites in 2019. The sampling was intended to demonstrate polymetallic metal values of significance as the 2019 sampling had adequately demonstrated at the Morell workings.

The three samples were submitted to MSA Labs using similar preparation, digestion and analytical techniques as done for the 2019 rock samples (PRP-915, ICP-140, and FAS-111). In addition, ICF-6PB was used to test for two of the three samples that returned overlimit Pb (i.e. values greater than Level of Detection for ICP-140).

2022 sample results are as follows with comparison to select 2019 samples taken at the Morell camp:

Table 5. 2022 Grab Sample Results from Site Inspection of the Morell Workings

				Sample	**FAS-111**	**ICF-6Pb**	**FAS-415**	**ICP-140**	**ICP-140**	**ICP-140**	**ICP-140**
				Type	**Au**	**Pb**	**Au**	**Ag**	**Cu**	**Pb**	**Zn**
Waypoint	**2021_Sample**	**Notes**	**Sample ID**		**ppm**	**%**	**ppm**	**ppm**	**%**	**%**	**%**
Shaft1	C0042219	Grab sample from muck apron at shaft	C0042219	Rock	0.006			3	0.013	0.413	0.329
Adit1	C0042220	Similar location of 2019 grab sample# 1069545. Grab of dump material.	C0042220	Rock	1.094	8.3		152	1.412	>5	0.417

Big Shaft	C0042221	Similar location of 2019 grab sample 1069543. Grab sample from muck apron at shaft.	C0042221	Rock	0.123	5.1		442	0.1	>5	4.345
Location	**2019_Sample**		**Sample ID**		**ppm**		**ppm**	**ppm**	**%**	**%**	**%**
Morell Camp	1069542		1069542	Rock			<0.05	<1	0.003	0.004	0.009
Morell Camp	1069543		1069543	Rock			<0.05	342	0.063	3.756	3.656
Morell Camp	1069544		1069544	Rock			0.53	363	0.616	4.505	4.235
Morell Camp	1069545		1069545	Rock			0.43	44	0.791	2.113	1.13
Morell Camp	1069546		1069546	Rock			<0.05	30	0.032	2.199	1.392

Grab sample C0042220 returned 1.094 ppm Au, 8.3% Pb, 152 ppm Ag, 1.412% Cu and 0.417% Zn from dump material at the apron of a shaft at the Morell workings, in close proximity to 2019 grab sample# 1069545.

Grab sample C0042221 returned 0.123 ppm Au, 5.1% Pb, 442 ppm Ag, 0.1% Cu and 4.345% Zn from dump material at the apron of a shaft at the Morell workings, in close proximity to 2019 grab sample# 1069543.

The senior Author (Mr. MacDonald) is of the opinion that the check sample results as part of his 2022 site inspection confirm the range of polymetallic values indicative of the 2019 sampling and confirm the prospectivity of the Morell camp workings. Further, the internal analytical lab and QA/QC procedures undertaken by MSA Labs for the three check samples is of sufficient quality to confirm the results.

Mineral Processing and Metallurgical Testing

The Company has conducted no exploration on the Broken Handle Project since its acquisition.

Mineral Resource Estimates

No mineral resource estimates have been undertaken on the Broken Handle Project.

Adjacent Properties

There are no claim blocks adjoining the Broken Handle Project.

Other Relevant Data

The Authors are not aware of any additional data or information related to the Broken Handle Project; the lack of which would make the Broken Handle Report incomplete or misleading or materially change the conclusions presented in the Broken Handle Report.

Interpretation and Conclusions

The 2018 and 2019 exploration programs were successful in determining that the Broken Handle Project area is host to an abundance of historical workings designed to develop base and precious metal bearing veins analogous to the Franklin Camp. The reverted Crown grants and Minfile occurrences in the Morell Group west of Burrell Creek were the primary attraction for staking at the turn of the century, however, it has become readily evident from field investigations around the Morell Group and new discoveries east of Burrell Creek that the Broken Handle Project's prospectivity and mineral potential is significantly broader spatially and geologically than initially understood.

The terrain, geochemical survey design and subsequent analyses are an effective tool for delineating poly-metallic veins with multi-element geochemical anomalies lining up well with known occurrences within the Broken Handle Project area. A follow-up program of 1,000 additional samples with an identical grid design to the 2019 program should cover the remaining prospective extent of the Harper Ranch Group of rocks beyond the extent of current geochemical coverage in order to identify additional targets hidden under cover. Anomalies and targets identified from these two phases of work and soil grids detailed within the Broken Handle Report, particularly those that are along strike of known workings, should be covered with higher density samples as infill lines along strike of known veins to further delineate their subsurface extents.

The omission of the Morell Camp within the digital provincial MinFile inventory is the critical factor to this target area maintaining a low profile over the last century, pressing previous operators to focus on less attractive exploration targets within the Morell group, like the Silver Queen MinFile. The discovery of Morell's camp during the 2019 season of work adds considerable value to the project area and that the likelihood of re-discovering precious-metal-bearing lodes within the tenure area like those described in the historical literature is high.

The veins and fissure systems identified within the Morell Camp are unique in that the current deposit model suggests that the most prospective target stratigraphy for hosting veins are the Harper Ranch and Penticton Group rocks. The fissures and lodes developed by Morell on the Juditta mineral claim occur at the stratigraphic base of the Harper Ranch Group of sediments and occurs below the contact and extend east into and are hosted within the Middle Jurassic granodiorites/monzonite intrusive suites. All the samples collected from the shaft that Warkentin (2014) identified as the C.P.R claim indicate a significant strike potential of up to 700 meters if the lodes in the Morell camp extend into the Middle Jurassic granodiorite suite.

Analytical results and geological observations from the WSW and ZAP showings discovered in the 1970's east of Burrell Creek indicate that the area is also prospective to host mineralization analogous to the Morell Camp. The gold results from the ZAP showing are very encouraging, however the extent of surficial material around the showing will necessitate the use of large shovels/mattocs or a small excavator in order to diligently assess the showing in the future.

The structures hosting veins and fissures observed to date may be extensive and of sufficient width to respond well to VLF and magnetic surveys and therefore a test survey is recommended over the Morell Camp and the Silver Queen and Silver King. If preliminary results look attractive, a larger grid can be draped over the full extent of the Morell Camp of reverted Crown grants within the scope of the next or a follow up phase of exploration activity.

Recommendations

Based on a thorough review of publicly available historical data and results from current work by CMG on behalf of 1218802 described in "*Properties – History – Work Programs*" and Section 6.2 of the Broken Handle Report, a $113,025 work program comprising additional soil sampling, prospecting and a magnetic-VLF geophysical survey grid are recommended. The scope of work for the recommended budget should entail:

1. B-horizon soil geochemistry surveys by extending existing soil grids beyond current boundaries over prospective terrain in addition to high density infill lines along strike of primary vein occurrences like those within the Morrel Group and Silver King and Queen reverted Crown grants.
2. Additional mapping, prospecting and geological support is needed whilst soil sampling teams systematically traverse new grids.
3. Detailed mapping and rock sampling are needed to facilitate a comprehensive assessment of the Morell Camp. Primary exploration targets like the ALCO 6 and WSW and ZAP showings need to be further evaluated given the results from recent work. The RIDGE, BURR and LJ Minfile occurrences should also be evaluated.
4. A small-scale ground magnetic and VLF test grid approximately 5-10-line km in size, dependent upon line spacing parameters, is recommended over the Morell Group of reverted Crown grants. The results from this preliminary survey would aim in supporting a larger grid over the rest of the Broken Handle Project.

A second stage of work is coarsely outlined below. The specific work of the follow-up program will be strongly influenced by the results from phase 1 outlined above but in general the scope of work is designed to utilize surface methods for outlining the extents of the most attractive targets. An approximate budget of $106,183 is estimated for the following list of recommended work. Subsurface diamond drilling may be an alternative option if the results from Phase 1 are compelling enough to advance the project in that manner.

1. 500-600 soil samples defined as infill samples to be collected along the prospective extension of primary target areas identified from the 2018 and 2019 work in addition to any anomalous results or trends identified from Phase 1.
2. Additional prospecting to be done to locate the remaining Minfile occurrences not yet observed on the Broken Handle Project.
3. Trenching with a small excavator or hand tools is required to evaluate the geological significance of highly anomalous bedrock sample results from the ZAP Minfile occurrence. The surface occurrence is in a low area with till cover.
4. A Broken Handle Project-wide ground magnetic and VLF grid over the reverted Crown grants and other prospective targets, including sufficient aerial coverage to encapsulate the most prospective terrain.

Table 6. Proposed Exploration Budget

Broken Handle Project		
Phase 1		
Item	**Descriptions**	**Costs (CAD)**
Soil Survey		
~1000 soil samples	Analytical Costs @$35/unit	$ 35,000.00
Geological Support	3 soil samplers @$450/day for 14 days	$ 18,900.00
Field Supplies	Consumables	$ 3,100.00
Room and Board	48 Man days ~$135/day	$ 6,480.00
Truck Rentals	1 Truck for 14 days @ $150/day + fuel	$ 4,620.00
ATV Rentals x2	2 for 14 days @ $125/day	$ 3,500.00
Mapping/Sampling		
Rock Samples 50 @$45/sample	~50 @$45/sample	$ 2,250.00
Geological Support and Prj Mgmt	12 Days @$800	$ 9,600.00
Room and Board	10 days @$135/day	$ 1,350.00
Geophysical Surveys		
MAG and VLF	5-10 Line Km's over the Morrell Camp (2 units	$ 7,550.00
	including survey support and deliverables	
Reporting Costs	15 days @$800/day	$ 10,400.00
	Phase Sub-Total	$ 102,750.00
	Contingency (10%)	$ 10,275.00
	TOTAL	**$ 113,025.00**
Phase 2		
Soil Survey		
~600 soil samples	Analytical Costs @$28/unit	$ 16,800.00
Geological Support	2 soil samplers @$500/day for 12 days	$ 12,000.00
Supervisor	1 Pgeo for mapping and oversight	$ 6,400.00
Field Supplies	Consumables	$ 2,740.00
Meals and Accommodation	32 Man days ~$135/day	$ 4,320.00
Truck Rentals	2 Trucks for 14 days @ $150/day + fuel	$ 4,620.00
ATV Rentals x2	2 for 14 days @ $125/day	$ 2,000.00
Trenching		
Excavator Rental	Prospecting and Mapping	$ 2,250.00
Geological Support	2-3 days	$ 2,400.00
Geophysical Surveys		
MAG and VLF	50 Line Km's over the Morrell Camp	$ 35,000.00
	including survey support and deliverables	
Reporting Costs	10 days @$800/day	$ 8,000.00
	Phase Sub-Total	$ 96,530.00
	Contingency (10%)	$ 9,653.00
	TOTAL	**$ 106,183.00**

USE OF PROCEEDS

Funds Available

The net proceeds of the Offering to the Company, after deduction of the Agent's Commission, the Corporate Finance Fee, the Agent's expenses and the remaining expenses of the Offering, are estimated to be $344,934. The total funds available to the Company at Closing of the Offering, including the estimated working capital deficit of approximately $6,446 as at August 31, 2022 (which amount accounts for $25,000 in prepaid expenses related to the Offering), are estimated to be $338,488.

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

Principal Purpose	**Available Funds**
Carry out Phase 1 of the recommendation of the Broken Handle Report on the Broken Handle Project	$113,025
Option payment due within 15 days of the Exchange Approval Date, pursuant to the Broken Handle Agreement	$25,000
Estimated other general and administrative costs for 12 months (1)	$119,773
Unallocated working capital	$80,690
Total:	$338,488

Notes:

(1) Includes estimated accounting and audit expenses of $24,750, legal expenses of $12,000, regulatory fees of $17,203, rent expenses of $12,600, office management expenses of $50,400, and general office expenses of $2,820.

The Company had a negative cash flow from operating activities of $52,747 for the year ended July 31, 2022 ($168 for the period from incorporation on September 8, 2020 to July 31, 2021). The Company anticipates that, as a junior mineral exploration company, it will continue to have negative operating cash flow in the future and the amounts allocated to the recommended exploration program in the use of funds table above will be used to fund such negative operating cash flow. See also "*Risk Factors – No History of Earnings*".

The principal business objective that the Company expects to accomplish with the funds available is to conduct exploration work of $113,025 on the Broken Handle Project pursuant to Phase 1 of the Broken Handle Report.

Event	**Time Frame**
Closing of the Offering and listing on the Exchange	Within 90 days of issuance of receipt for final Prospectus
Carry out Phase 1 of the recommendation of the Broken Handle Report on the Broken Handle Project	Within one year of listing the Shares on the CSE

See "*Business of the Company*" and "*Properties*".

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of the Company for the year ended July 31, 2022 and for the period from the date of incorporation on September 8, 2020 to July 31, 2021, along with the Management's Discussion and Analysis included in this Prospectus. All financial statements are prepared in accordance with IFRS. The Company's financial year end is July 31.

Selected Annual Information

	For the year ended July 31, 2022 (audited) [(1)]	For the period from incorporation on September 8, 2020 to July 31, 2021 [(1)] (audited)
Operations		
Revenue	-	-
Net loss	($165,447)	($68,168)
Basic and diluted loss per Share	($0.02)	($0.01)
Balance Sheet		
Current assets	$166,298	$203,332
Exploration and evaluation assets	$15,000	$15,000
Total assets	$212,219	$218,332
Total liabilities	$191,244	$68,000
Shareholders' equity	$20,885	$150,332
Dividends declared	Nil	Nil

Notes:

(1) Derived from the audited financial statements as at and for the year ended July 31, 2022 and for the period from the date of incorporation on September 8, 2020 to July 31, 2021, as prepared under IFRS.

Management Discussion and Analysis

The Company's Management Discussion and Analysis for the year ended July 31, 2022 is set forth in Schedule "C" of this Prospectus.

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of the Company for the year ended July 31, 2022 and for the period from the date of incorporation on September 8, 2020 to July 31, 2021 and should be read in conjunction with the Management's Discussion and Analysis included in this Prospectus. All financial statements are prepared in accordance with IFRS. The Company's financial year end is July 31.

	For the year ended July 31, 2022[(1)] (audited)	For the period from incorporation on September 8, 2020 to July 31, 2021 [(1)] (audited)
Operations		
Revenue	-	-
Net loss	($165,447)	($68,168)
Basic and diluted loss per Share	($0.02)	($0.01)
Balance Sheet		

	For the year ended July 31, 2022(1) (audited)	For the period from incorporation on September 8, 2020 to July 31, 2021 (1) (audited)
Current assets	$166,298	$203,332
Exploration and evaluation assets	$15,000	$15,000
Total assets	$212,219	$218,332
Total liabilities	$191,244	$68,000
Shareholders' equity	$20,885	$150,332
Dividends declared	Nil	Nil

Notes:
(1) Derived from the audited financial statements as at and for the year ended July 31, 2022 and for the period from the date of incorporation on September 8, 2020 to July 31, 2021, as prepared under IFRS.

Disclosure of outstanding security data

Shares

The Company is authorized to issue an unlimited number of Shares without par value, of which 10,610,000 Shares are issued and outstanding as fully paid and non-assessable as of the date hereof. The Company intends to issue 150,000 Shares to the Optionor within 15 days of the Exchange Approval Date.

Stock Options

As of the date of this Prospectus, the Company does not have any stock options outstanding.

PLAN OF DISTRIBUTION

The Offering consists of 5,000,000 Offered Shares at a price of $0.10 per Offered Share. The Offered Shares will be sold to the public on the Closing Date pursuant to the Agency Agreement. For a summary of the material attributes and characteristics of the Offered Shares and certain rights attaching thereto, see "*Description of Securities to be Distributed*".

Pursuant to the Agency Agreement, the Company has appointed the Agent to offer for sale to the public, on a commercially reasonable efforts basis, an aggregate of 5,000,000 Offered Shares at the Offering Price for aggregate gross proceeds to the Company of $500,000, subject to compliance with all legal requirements and the terms and conditions contained in the Agency Agreement.

The Offering Price has been determined by arm's length negotiation between the Company and the Agent and may bear no relationship to the price that will prevail in the public market.

The obligations of the Agent under the Agency Agreement are subject to certain closing conditions, and may be terminated at the Agent's discretion at any time before Closing on the basis of "disaster-out", "market-out", "material adverse change-out" and "regulatory change-out" provisions in the Agency Agreement, in addition to termination upon the occurrence of certain other stated events. As the Agent has agreed to use its commercially reasonable efforts to sell the Offered Shares, the Agent is not obligated to purchase any Offered Shares not sold under the Offering. The Company has agreed in the Agency Agreement to indemnify the Agent, each of the associates and affiliates of the Agent, and each of their respective officers, directors, employees, shareholders, partners, advisors and agents against certain liabilities and expenses or will contribute to payments that the Agent or such other parties may be required to make in respect thereof.

In the event that the Offering is not completed other than by reason of termination of the Engagement Agreement or the Agency Agreement, and the Company completes an alternative transaction within the 9-month period following the date of the Engagement Agreement, the Company shall pay to the Agent the fees otherwise payable pursuant to the Engagement Agreement assuming an Offering size of $500,000.

In consideration for the Agent's services in connection with the Offering, the Agency Agreement provides that the Company will pay the Agent's Commission to the Agent, which is equal to 7% of the gross proceeds of the Offering payable in cash. In addition, the Agent will receive (i) Compensation Options entitling the holder to purchase 7% of the number of Shares sold under the Offering at an exercise price of $0.10 for 24 months from Closing; (ii) the Corporate Finance Fee of $20,000 plus applicable taxes, of which $10,000 was paid upon signing the Engagement Agreement, and the remaining $10,000 is payable upon Closing; and (iii) the Corporate Finance Securities, consisting of an additional 100,000 Shares, at a deemed price per Share that is equal to the Offering Price. In addition, the Company has agreed to pay the Agent's reasonable legal fees, subject to a cap of $25,000 (plus taxes and disbursements) along with other reasonable expenses of the Agent in connection with the Offering. The Company has paid the Agent a retainer of $15,000 to be applied against such legal fees and expenses.

The Offered Shares are being offered for sale to the public in the provinces of British Columbia, Alberta and Ontario by way of this Prospectus.

The Company has applied to list its Shares on the CSE. Listing is subject to the Company's fulfilling all of the requirements of the CSE.

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

It is anticipated that the Company will arrange for one or more instant deposits of the Offered Shares issued and sold hereunder with CDS or its nominee through the non-certificated inventory system administered by CDS on the Closing Date, or will otherwise duly and validly deliver the Offered Shares as directed by the Agent on the Closing Date. Except in limited circumstances, no certificates will be issued to purchasers of the Offered Shares and a purchaser will receive only a customer confirmation from a registered dealer that is a CDS participant and from or through which the Offered Shares are purchased.

The Offered Shares offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to U.S. persons except in certain transactions exempt from the registration requirements of the United States Securities Act of 1933.

The minimum funds to be raised in respect of the Offering is $500,000. The Agent will hold in trust all funds received from the subscriptions until the minimum amount of funds of $500,000 has been raised. If this minimum amount of funds is not raised within the distribution period, the Agent must return the funds to the subscribers without any deduction, unless a receipt has been issued for an amendment to the final prospectus.

DESCRIPTION OF SHARE CAPITAL AND OFFERED SHARES BEING DISTRIBUTED

The Company is authorized to issue an unlimited number of Shares without par value, of which 10,610,000 Shares are issued and outstanding as fully paid and non-assessable as of the date hereof. At Closing, pursuant to the Agency Agreement the Company will issue Corporate Finance Securities to the Agent consisting of 100,000 Shares. The Company intends to issue 150,000 Shares to the Optionor within 15 days of the Exchange Approval Date. See "*Prior Sales*".

All of the Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and entitlement to any dividends declared by the Company. The holders of the Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Share carries the right to one vote. In the event of the liquidation, dissolution or winding-up of the Company, or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs, the holders of the Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the payment by the Company of all of its liabilities. The holders of Shares are entitled to receive dividends as and when declared by the Board in respect of the Shares on a pro rata basis. The Shares do not have pre-emptive rights, conversion rights or exchange rights and are not subject to redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital. For a description of the Company's dividend policy, see "*Dividend Policy*".

DIVIDEND POLICY

There is no restriction that would prevent the Company from paying dividends on its Shares. To date, the Company has not declared or paid any cash dividends. The Company expects to retain its earnings to finance future growth and when appropriate retire debt. Any future determination to pay dividends will be at the discretion of the Board and will depend on the capital requirements of the Company, results of operations and such other factors as the Board considers relevant.

PRIOR SALES

The Company has issued the following Shares since incorporation:

Date Issued	Number of Shares	Price Per Share ($)	Total Fair Value Consideration ($)	Total Cash Consideration ($)
September 8, 2020	1	$0.005	-	$0.005
December 7, 2020	3,499,999	$0.005	-	$17,500 (1)
December 30, 2020	4,550,000	$0.02	-	$91,000
March 4, 2021	2,200,000	$0.05	-	$110,000
December 22, 2021	360,000	$0.10	-	$36,000

Notes:
(1) Includes the total cash consideration of $0.005 for the incorporator's Share issued on September 8, 2020.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated share and loan capital of the Company as at July 31, 2022 and at the date of this Prospectus. There is no long-term debt. The table should be read in conjunction with the audited financial statements of the Company appearing elsewhere in this Prospectus.

Authorized	Outstanding as at July 31, 2022	Outstanding as at the date of this Prospectus	Outstanding after giving effect to the Offering
Common Shares (unlimited)	10,610,000	10,610,000	15,860,000 (1)
Stock Options	Nil	Nil	Nil
Long Term Debt	$Nil	$Nil	$Nil

Notes:
(1) Includes 100,000 Shares issued to the Agent, representing the Corporate Finance Securities; and 150,000 Shares issued to the Optionor within 15 days of the Exchange Approval Date. This amount does not include the 350,000 Shares issuable to the holder of the Compensation Options upon exercise of the Compensation Options.

OPTIONS TO PURCHASE SECURITIES

Outstanding Options

As of the date of this Prospectus, the Company does not have any stock options ("**Options**") outstanding.

After giving effect to the Offering, the Compensation Options will be outstanding, entitling the holder to purchase 7% of the number of Shares sold under the Offering at an exercise price of $0.10 for 24 months from Closing.

Stock Option Plan

The Stock Option Plan was adopted by the Board on March 24, 2022.

The purpose of the Stock Option Plan is to provide for the acquisition of Shares by officers, employees, directors and consultants of the Company ("**Eligible Persons**") for the purpose of advancing the interests of the Company through the motivation, attraction and retention of officers, employees, directors and consultants of the Company and its affiliates and to secure for the Company and its shareholders the benefits inherent in the ownership of Shares by such persons, it being generally recognized that share incentive plans aid in attracting, retaining and encouraging such people due to the opportunity offered to them to acquire a proprietary interest in the Company.

Under the Stock Option Plan, the Company can issue up to 10% of the issued and outstanding Shares as incentive stock options to directors, officers, employees and consultants to the Company. The Stock Option Plan limits the number of stock options which may be granted to any one individual to not more than 5% of the total outstanding Shares of the Company in any 12-month period, unless the Company has obtained disinterested shareholder approval to exceed such limit. The number of options granted to any one consultant or a person employed to provide investor relations activities in any 12-month period must not exceed 2% of the total outstanding Shares of the Company. Unless the Company has received disinterested shareholder approval to do so, the number of Options granted to any insiders must not exceed 10% of the total outstanding Shares of the Company and the aggregate number of Options granted to any insiders in any 12-month period under the Stock Option Plan or any other share compensation arrangement must not exceed 10% of the total outstanding Shares of the Company. The number of Shares issued to any person within a 12-month period pursuant to the exercise of options granted under the Stock Option Pan and any other share compensation arrangement shall not exceed 5% of the outstanding Shares at the time of the exercise. As well, stock options granted under the Stock Option Plan may be subject to vesting provisions as determined by the Board.

The Exercise Price per Share under each option will be determined by the directors of the Company, in their sole discretion, expressed in terms of money, provided that if the Company is a reporting issuer in any Province of Canada such price may not be less than the greater of: (a) the fair market value of such shares at the time of grant, as determined by the directors of the Company, in their sole discretion; and (b) the lowest price permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject, including the Exchange.

Each option will expire on the earlier of:

(a) the date determined by the directors of the Company and specified in the option agreement pursuant to which such option is granted, provided that such date may not be later than the earlier of: (i) the date which is the tenth anniversary of the date on which such option is granted; and (ii) the latest date permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject, including the Exchange;

(b) in the event the holder of the option (the "**optionholder**") ceases to be an Eligible Person for any reason, other than the death of the optionholder or the termination of the optionholder for cause, such period of time after the date on which the optionholder ceases to be an Eligible Person as may be specified by the directors of the Company or as specified in an agreement among the optionholder and the Company, and in the absence of such specification or agreement, will be deemed to be the date that is three months following the optionholder ceasing to be an Eligible Person;

(c) in the event of the termination of the optionholder as a director, officer, employee or consultant of the Company or an affiliate for cause, the date of such termination;

(d) in the event of the death of a optionholder prior to: (A) the optionholder ceasing to be an Eligible Person; or (B) the date which is the number of days specified by the directors of the Company pursuant to subparagraph (b) above from the date on which the optionholder ceased to be an Eligible Person; the date which is one year after the date of death of such optionholder or such other date as may be specified by the directors of the Company and which period will be specified in the option agreement with the optionholder with respect to such option; and

(e) notwithstanding the foregoing provisions of subparagraphs (b), (c) and (d), the directors of the Company may, subject to regulatory approval, at any time prior to expiry of an option extend the period of time within which an option may be exercised by a optionholder who has ceased to be an Eligible Person, but such an extension shall not be granted beyond the original expiry date of the option as provided for in subparagraph (a) above.

Notwithstanding the foregoing, except as expressly permitted by the directors of the Company, all options will cease to vest as at the date upon which the optionholder ceases to be an Eligible Person.

A change in the status, office, position or duties of a optionholder from the status, office, position or duties held by such optionholder on the date on which the option was granted to such optionholder will not result in the termination of the option granted to such optionholder provided that such optionholder remains a director, officer, employee or consultant of the Company or an affiliate.

Each option agreement will provide that the option granted thereunder is not transferable or assignable and may be exercised only by the optionholder or, in the event of the death of the optionholder or the appointment of a committee or duly appointed attorney of the optionholder or of the estate of the optionholder on the grounds that the optionholder is incapable, by reason of physical or mental infirmity, of managing their affairs, the optionholder's legal representative or such committee or attorney, as the case may be.

The directors of the Company will have the right at any time to suspend, amend or terminate the Stock Option Plan in any manner including, without limitation, to reflect any requirements of any regulatory authorities to which the Company is subject, including the Exchange, and on behalf of the Company agree to any amendment to any option agreement provided that the directors of the Company in their discretion deem such amendment consistent with the terms of the Stock Option Plan and all procedures and necessary approvals required under the applicable rules and regulations of all regulatory authorities to which the Company is subject are complied with and obtained, but the directors of the Company will not have the right to:

(a) affect in a manner that is adverse or prejudicial to, or that impairs, the benefits and rights of any optionholder under any option previously granted under the Stock Option Plan (except for the purpose of complying with applicable securities laws or the bylaws, rules and regulations of any regulatory authority to which the Company is subject, including the Exchange);

(b) decrease the number of Shares which may be purchased pursuant to any option without the consent of such optionholder;

(c) increase the exercise price at which Shares may be purchased pursuant to any option without the consent of such optionholder;

(d) extend the term of any option beyond a period of ten years or the latest date permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject, including the Exchange; or

(e) grant any option if the Stock Option Plan is suspended or has been terminated.

PRINCIPAL SECURITYHOLDERS

There is no shareholder which owns, directly or indirectly or exercise control or direction over more than 10% of the issued Shares of the Company as at the date of this Prospectus.

DIRECTORS AND OFFICERS

Name, Address, Occupation and Security Holdings

The following table sets out information regarding each of the Company's directors and officers, including the province/state and country of residence, the position and office held and the period of time served in this position, their principal occupation for the previous five years and the number and percentage of securities beneficially owned, directly or indirectly, or over which control or direction is exercised.

Name, Province/State and Country of Residence	Position held with the Company	Principal Occupation in the previous 5 years	Date Appointed as a Director	Number of Shares held prior to the Offering
Daniel Joyce [(1)] British Columbia, Canada	Director, President, and Chief Executive Officer	Retired (Nov. 2018 - Present) Senior Director of Rocky Mountaineer (Jan. 2016 - Nov. 2018)	September 8, 2020	980,000
Neil MacRae [(1)] British Columbia, Canada	Director	VP Corporate Development of Mars Investor Relations Inc. (Jul. 2019 - Present) IR Manager of Fireweed Zinc Ltd. & Aztec Minerals Corp. (Mar. 2018 - Jul. 2019) VP IR of Aztec Minerals Corp. (Sept. 2017 – Jul. 2019) Director of IR of Santa Cruz Silver Mining Ltd. (May 2012 – Sept. 2017)	September 8, 2020	400,000
Geoffrey Schellenberg British Columbia, Canada	Director and Vice President Projects	Managing Director of Coast Mountain Geological (November 2016 – Present)	September 8, 2020	750,000
Samantha Shorter [(1)] British Columbia, Canada	Director	Self-employed Financial Consultant (July 2011 – Present)	September 8, 2020	350,000
Stephen Sulis British Columbia, Canada	Chief Financial Officer and Secretary	Accountant at Red Fern Consulting Ltd. (Nov. 2018 – Present); CSR at TD Canada Trust (Sept. 2016 – Mar. 2019)	N/A	Nil

Notes:
(1) Member of the audit committee.

The term of office of each director expires on the date of the next annual general meeting of the Company's shareholders.

As at the date of this Prospectus, the directors and officers of the Company, as a group, beneficially owned or control, directly or indirectly, an aggregate of 2,480,000 Shares, representing 23.37% of the issued and outstanding Shares prior to the Offering. Upon completion of the Offering, assuming no participation by any of the Company's directors and officers in the Offering, the number and percentage of the Shares beneficially owned, directly or indirectly, or over which control or direction will be exercised by the directors and executive officers of the Company as a group will be 15.64% (including Corporate Finance Securities issued to the Agent and Shares issued to the Optionor within 15 days of the Exchange Approval Date).

Biographical Information – Management

The following are brief biographical descriptions of each of the members of management.

Daniel Joyce: Age: 49, Director, President and Chief Executive Officer

Mr. Joyce has over 25 years of varied business experience in both public and private markets. His broad experience, covering global sourcing and execution, has involved leading core functional areas including accounting, finance, operations, marketing, and sales. He has held senior positions at Rocky Mountaineer, Creo, Westcoast Energy, and AXA Pacific Insurance. Mr. Joyce earned a Bachelor of Commerce from the University of British Columbia as well as a CPA. Mr. Joyce is a contractor of the Company and has not entered into a non-competition and/or non-disclosure agreement with the Company.

Mr. Joyce anticipates devoting approximately 50% of his time to the Company's affairs with the time increasing as required to carry out his duties as President and Chief Executive Officer.

Stephen Sulis: Age: 30, Chief Financial Officer and Secretary

Mr. Stephen Sulis is currently working as CFO with a number of TSX-V and CSE listed companies, predominately focused on the resource sector, both in Canada and around the globe. His professional experience includes exploration and mining companies, implementation of accounting software, various equity financings and implementation of internal control policies. In addition to his accounting experience, previously Mr. Sulis worked in the financial sector with TD Canada Trust. Mr. Sulis graduated with distinction at Capilano University, North Vancouver, and holds a bachelor's degree in business administration as well as an advanced diploma in international business studies. Mr. Sulis is a contractor of the Company and has not entered into a non-competition and/or non-disclosure agreement with the Company.

Mr. Sulis anticipates devoting approximately 15% of his time to the Company's affairs with the time increasing as required to carry out his duties as Chief Financial Officer and Secretary.

Geoffrey Schellenberg: Age: 36, Director and Vice President Projects

Mr. Schellenberg has over 10 years of experience in the mineral exploration industry. He is currently the president and a director of Troubadour Resources Inc. (TSX.V:TR), a director of Origen Resources Inc. (CSE:ORGN), and a managing director of CMG where he provides oversight and management on exploration and development projects for a variety of clients ranging from junior exploration to large international mining companies. Mr. Schellenberg holds a Bachelor of Commerce degree from the University of British Columbia. Mr. Schellenberg is a contractor of the Company and has not entered into a non-competition and/or non-disclosure agreement with the Company.

Mr. Schellenberg anticipates devoting approximately 15% of his time to the Company's affairs with the time increasing as required to carry out his duties as Vice President Projects.

Biographical Information – Non-Management Directors

The following are brief biographical descriptions of each of the non-management directors.

Neil MacRae: Age: 52 Director

Neil MacRae is a mining investor relations professional with 27 years of experience in investor relations, commodities trading, and corporate development within the global mining industry. He holds a B.A. (Political Science) degree from the University of Calgary and started his career in 1994, spending 10 years as a commodity trader and concentrate marketer for Mitsui & Co. (Canada) Ltd.

Over the next 17 years, Neil then moved into successful investor relations roles with such companies as First Majestic Silver Corp, Sherwood Copper (sold to Capstone Mining), Farallon Mining (sold to Nyrstar), Novagold Resources, and Santacruz Silver Mining.

With a worldwide network of a wide array of mining industry contacts, Neil brings a wealth of knowledge to the execution of an effective investor relations program to the clients of Mars Investor Relations.

Mr. MacRae will devote the time required in his position as a non-management director.

Samantha Shorter: Age: 38 Director

Ms. Shorter is a senior finance and accounting professional with 15 years of experience in the mineral exploration sector and has served as CFO of venture companies. She has extensive international experience with development projects as well as operating assets. Ms. Shorter was also previously employed as an audit manager at a major Canadian accounting firm specializing in the mining industry and has extensive experience providing financial reporting and corporate services to companies in the mining and mineral exploration industries. Ms. Shorter is a beneficial owner of Red Fern Consulting Ltd. Ms. Shorter is a CPA, CA and CIA and holds a Bachelor of Commerce degree with Honours from the University of British Columbia.

Ms. Shorter will devote the time required in her position as a non-management director.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as otherwise disclosed herein, none of the Company's directors or executive officers are or have been within 10 years prior to the date of this Prospectus, a director, Chief Executive Officer or Chief Financial Officer of any company including the Company that:

(a) was subject to 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; 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 that capacity as director, chief executive officer or chief financial officer.

For the purposes herein "order" means:

(a) a cease trade order;

(b) an order similar to a cease trade order; or

(c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

Samantha Shorter was the Chief Financial Officer of Medipure Holdings Inc., a CSE listed issuer, when it failed to file audited financial statements as well as associated MD&A and certifications for the financial year ended June 30, 2015. The British Columbia Securities Commission issued a cease trade order on November 4, 2015. Ms. Shorter resigned as CFO on November 16, 2015, and the Ontario Securities Commission issued a cease trade order on November 20, 2015. Both cease trade orders remain in place as of the date of this Prospectus though Medipure Holdings Inc. has since filed the outstanding financial statements.

Samantha Shorter is a director of Clear Gold Resources Inc. a NEX listed issuer. At the time Ms. Shorter joined the board of directors, Clear Gold Resources Inc. was subject to a cease trade order issued by the British Columbia Securities Commission on November 4, 2015 as a result of the failure to file audited financial statements as well as associated MD&A and certifications for the financial year ended June 30, 2015. A revocation order was issued on January 22, 2021 upon the filing of the outstanding financial statements.

Samantha Shorter was the Chief Financial Officer of Winchester Minerals and Gold Exploration Ltd., a TSX Venture Exchange listed issuer, when it failed to file audited financial statements as well as associated MD&A and certifications for the financial year ended December 30, 2014. The British Columbia Securities Commission issued a cease trade order on May 8, 2015. Ms. Shorter resigned as CFO in June 2015, and the Alberta Securities Commission issued a cease trade order on August 7, 2015. Both cease trade orders remain in place as of the date of this Prospectus.

Except as otherwise disclosed herein, none of the directors or executive officers of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

(a) is, as at the date of this Prospectus, or has been within the 10 years before the date of this Prospectus, 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;

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

(c) are or have been subject to 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

(d) has been subject to 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

Some of the directors and officers of the Company are also directors and officers of other companies, some of which are in the same business as the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

At the time of entering into the Broken Handle Agreement, and as of the date of this Prospectus, Geoffrey Schellenberg was and is a director of both the Company and the Optionor. Mr. Schellenberg disclosed this interest to the Board and abstained from voting on the resolutions passed by the Board that approved the Broken Handle Agreement.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

After becoming a reporting issuer, the Company will have two (2) named executive officers, Daniel Joyce, the President and Chief Executive Officer, and Stephen Sulis, the Chief Financial Officer and Secretary of the Company (together, the "**NEOs**"). In the event the Company is in a position to pay a base salary to any officer, such a base salary would be determined by the Board and may be based on performance contributions for the year and sustained performance contributions over a number of years. Officers of the Company will be eligible to receive discretionary bonuses as determined by the Board based on each officer's responsibilities, his or her achievement of corporate objectives and the Company's financial performance. There is no formal timing for when such an analysis would be performed or when NEOs would be eligible to receive a salary or discretionary bonus. Any salary or bonus would be determined at the absolute discretion of the board and there are presently no performance criteria, goals or peer groups which have been set or identified in relation to NEO compensation.

The Company does not expect to provide any cash compensation to its NEOs for the next financial year of the Company, except as disclosed below.

The Company currently pays, and expects to continue paying, CFO professional services fees to Red Fern Consulting Ltd., a company at which Stephen Sulis is an accountant and of which Samantha Shorter is a beneficial owner, at a monthly rate of $1,500.

Director compensation is determined by the directors, acting as a whole. The only arrangements the Company has pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the most recently completed financial year or subsequently, are by the issuance of incentive stock options pursuant to the Company's Stock Option Plan.

The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

Summary Compensation Table

The following table (presented in accordance with Form 51-102F6 – Statement of Executive Compensation ("**Form 51-102F6**") under National Instrument 51-102 – *Continuous Disclosure Obligations*) sets forth all direct and indirect compensation for, or in connection with, services provided to the Company and its subsidiaries for the period ended July 31, 2022 in respect of President and Chief Executive Officer and the Chief Financial Officer of the Company (each an "**NEO**"). No other executive officer of the Company received total compensation in excess of $150,000 in respect of the year ended July 31, 2022.

					Non-equity incentive plan compensation ($)(f)				
Name and principal position (a)	**Year (b)**	**Salary ($) (c)**	**Share-based awards ($) (d)**	**Option-based Awards ($) (e)**	**Annual incentive plans (f1)**	**Long-term incentive plans (f2)**	**Pension value ($) (g)**	**All other Compen-sation ($) (h)**	**Total Compen-sation ($) (i)**
Daniel Joyce	2022	nil	nil	nil	nil	nil	nil	nil	nil
President, Chief Executive Officer and Director (2)	2021 (1)	18,000 (4)	nil	nil	nil	nil	nil	nil	18,000
Stephen Sulis	2022	18,000 (5)	nil	nil	nil	nil	nil	nil	18,000
Chief Financial Officer and Secretary (3)	2021 (1)	3,000 (6)	nil	nil	nil	nil	nil	nil	3,000

Notes:

(1) For the period from incorporation on September 8, 2020 to July 31, 2021.

(2) Daniel Joyce was appointed President, Chief Executive Officer and Director of the Company on September 8, 2020.

(3) Stephen Sulis was appointed Chief Financial Officer and Secretary of the Company on September 8, 2020. CFO professional services fees are paid to Red Fern Consulting Ltd., a company at which Stephen Sulis is an accountant and of which Samantha Shorter is a beneficial owner.

(4) Daniel Joyce accrued management fees of $3,000 per month for the period from February 1, 2021, to July 31, 2021. This amount was included in accounts payable and accrued liabilities in the financial statements of the Company as at July 31, 2021.

(5) Red Fern Consulting Ltd., a company at which Stephen Sulis is an accountant and of which Samantha Shorter is a beneficial owner, accrued CFO professional services fees of $1,500 per month for the year ended July 31, 2022. This amount was included in accounts payable and accrued liabilities in the financial statements of the Company as at July 31, 2022.

(6) Red Fern Consulting Ltd., a company at which Stephen Sulis is an accountant and of which Samantha Shorter is a beneficial owner, accrued CFO professional services fees of $1,500 per month for the period from June 1, 2021 to July 31, 2021. This amount was included in accounts payable and accrued liabilities in the financial statements of the Company as at July 31, 2021.

The Company does not provide retirement or other benefits for any of its directors or officers.

Long-Term Incentive Plans, Options and SARs Awards in Most Recently Completed Fiscal Year

Outstanding Share-Based Awards and Option-Based Awards

There are no outstanding share-based awards and option-based awards as of the most recently completed period ended July 31, 2022. See "*Options to Purchase Securities – Outstanding Options*".

Incentive Plan Awards – Value Vested or Earned during the Year

No outstanding share-based awards and option-based awards vested in the most recently completed period ended July 31, 2022.

Employment Agreements

The Company does not have any employees.

Termination and Change of Control Benefits

The Company does not have any change of control benefit agreements with any NEO of the Company.

Compensation of Directors

The following table (presented in accordance with Form 51-102F6) sets forth all amounts of compensation provided to the directors (other than Daniel Joyce, whose compensation information is disclosed above) for the year ended July 31, 2022.

Name	Fees earned ($)	Share-based awards	Option-based awards ($)	Non-equity incentive plan compensation	Pension value	All other compensation	Total ($)
Neil MacRae (1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Geoffrey Schellenberg (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Samantha Shorter (3)	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:
(1) Neil MacRae was appointed as a Director of the Company on September 8, 2020.
(2) Geoffrey Schellenberg was appointed as a Director of the Company on September 8, 2020.
(3) Samantha Shorter was appointed as a Director of the Company on September 8, 2020.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer or employee of the Company or associate of such an individual is as of the date of this Prospectus, or at any time during the most recently completed financial year was, indebted to the Company or indebted to another entity with such indebtedness being the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries.

PROMOTERS

Neil MacRae has taken the initiative in founding and organizing the Company and is therefore a promoter of the Company for the purposes of applicable securities laws.

AUDIT COMMITTEE

As of the date of this Prospectus, the Company's Audit Committee is composed of the following members:

Member	Independent / Not Independent (1)	Financially Literate / Not Financially Literate (2)
Daniel Joyce,	Not Independent	Financially Literate
Neil MacRae	Independent	Financially Literate
Samantha Shorter	Independent	Financially Literate

Notes:
(1) A member of an audit committee is independent if the member meets the meaning of that term as defined in section 1.4 of NI 52-110.
(2) As defined by NI 52-110.

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

All members of the Audit Committee are "financially literate" as that term is defined in section 1.6 of NI 52-110.

See "*Directors and Officers*" for the biographies of the audit committee members.

Audit Committee Charter

Pursuant to NI 52-110, the Company's audit committee is required to have a charter. The full text of the Company's audit committee charter is attached as Schedule "A" to this Prospectus.

Relevant Education and Experience

All of the members of the audit committee have gained their experience by participating in the management of private and publicly traded companies other than the Company and they are all financially literate. They all have 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 Company's financial statements. For a description of the education and experience of each of the audit committee members, see "*Directors and Officers*".

Audit Committee Oversight

At no time since the beginning of the Company's most recent completed financial year was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Company's Board.

Pre-Approval Policies and Procedures

The audit committee is required to approve all non-audit services provided by the auditor.

External Auditor Service Fees

The aggregate fees billed to the Company for the services provided by the external auditor for the year ended July 31, 2022 and for the period ended July 31, 2021 are as follows:

Fee Category	Year ended 2022 ($)	Period from incorporation on September 8, 2020 to July 31, 2021 ($)
Audit Fees	11,000	12,000
Audit-Related Fees	Nil	Nil

Fee Category	Year ended 2022 ($)	Period from incorporation on September 8, 2020 to July 31, 2021 ($)
Tax Fees	Nil	Nil
All Other Fees	7,000	Nil
Total	18,000	12,000

Exemption

As the Company is an "IPO Venture Issuer" as defined in NI 41-101, the Company is relying on the exemption in section 6.1 of NI 52-110, from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110. The Company has not relied on the de minimus non-audit services exemption or any other exemption under Part 8 of NI 52-110.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Policy 58-201 - *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices and feels that the Company's corporate governance practices are appropriate and effective for the Company given its current size.

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") the Company is required to disclose its corporate governance practices, which are summarized below.

Board of Directors

The Board is currently composed of Daniel Joyce, Neil MacRae, Geoffrey Schellenberg and Samantha Shorter.

Neil MacRae and Samantha Shorter are considered by the Board to be "independent" within the meaning of section 1.2 of NI 58-101. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the company, other than interests and relationships arising from shareholding. Daniel Joyce and Geoffrey Schellenberg are executive officers of the Company and accordingly, are considered to be "non-independent".

The Board plans to meet for formal board meetings on an as needed basis to review and discuss the Company's business activities and to consider and if thought fit, to approve matters presented to the Board for approval, and to provide guidance to management. In addition, management will informally provide updates to the Board at least once per quarter between formal meetings. In general, management consults with the Board when deemed appropriate to keep it informed regarding the Company's affairs.

The Board will facilitate the exercise of independent supervision over management through these various meetings. At present, the Board does not have any formal committees other than its audit committee. When necessary, the Board will strike a special committee of independent directors to deal with matters requiring independence. The composition of the Board is such that the independent directors have significant experience in business affairs and, as a result, these directors are able to provide independent supervision over management.

In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with corporate law and in accordance with his fiduciary obligations as a director of the Company, disclose the nature and extent of his interest to the other directors and abstain from voting on any matter is which he has declared an interest.

Directorships

Certain directors of the Company have been directors (or their equivalent) of other issuers that are reporting issuers (or the equivalent) in Canada and elsewhere. Information as to present public company directorships (or equivalent) is set out below.

Name of Director	**Present Public Company Directorships**
Daniel Joyce	N/A
Neil MacRae	Farstarcap Investment Corp.
Geoffrey Schellenberg	Troubadour Resources Inc. Origen Resources Inc.
Samantha Shorter	Clear Gold Resources Inc. Pacific Empire Minerals Corp.

Orientation and Continuing Education

The Company has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with the Company by meeting with the other directors and with officers and employees. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

Ethical Business Conduct

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

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction must be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

Nomination of Directors

The Board does not have a nominating committee. The full Board will be involved in nomination of new candidates for Board positions. Board members will be asked for recommendations of people that they know of or have heard of that would contribute to the success of the Company if added to the Board.

Compensation

The Board conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies.

Other Board Committees

The Board has no other committees other than the audit committee.

Assessments

Any committee of the Board and individual directors will be assessed on an ongoing basis by the Board. The Board has not, as yet, adopted formal procedures for assessing the effectiveness of the Board, its committees or individual directors.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

National Policy 46-201 – Escrow for Initial Public Offerings ("**NP 46-201**") provides that all shares of an issuer, and all convertible securities with an exercise price less than the Offering Price, owned or controlled by its principals will be escrowed at the time of the issuer's initial public offering, unless the shares held by the principal or issuable to the principal upon conversion of convertible securities held by the principal collectively represent less than 1% of the total issued and outstanding shares of the issuer after giving effect to the initial public offering.

At the time of its initial public offering, an issuer will be classified for the purposes of escrow as an "emerging issuer" as defined in NP 46-201.

Uniform terms of automatic timed release escrow apply to principals of exchange listed issuers, differing only according to the classification of the issuer. As the Company is classified as an "emerging issuer", the following automatic timed releases will apply to the securities held by its principals:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the date the Company's Shares are listed on the CSE (the "**listing date**")	1/10 of the escrowed Shares
6 months after the listing date	1/6 of the remaining escrowed Shares
12 months after the listing date	1/5 of the remaining escrowed Shares
18 months after the listing date	1/4 of the remaining escrowed Shares
24 months after the listing date	1/3 of the remaining escrowed Shares
30 months after the listing date	1/2 of the remaining escrowed Shares
36 months after the listing date	The balance of the remaining escrowed Shares

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

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

If the Company is classified as an "emerging issuer" at the listing date and subsequently meets the "established issuer" criteria, that number of escrowed securities that would have been eligible for release from escrow if the Company had been an "established issuer" on the listing date will be immediately released from escrow. The remaining escrowed securities would be released in accordance with the timed release provisions for established issuers, with all escrowed securities being released 18 months from the listing date.

The following table sets out information on the number of Shares and options of the Company subject to the terms of the Escrow Agreement among the Company, the Escrow Agent and the following persons:

Holder of securities	Number and designation of class of security held in escrow or that are subject to a contractual restriction on transfer	Percentage of class prior to giving effect to the Offering(1)	Percentage of class after giving effect to the Offering(2)
Daniel Joyce	980,000 Shares	9.24%	6.18%
Neil MacRae	400,000 Shares	3.77%	2.52%
Geoffrey Schellenberg	750,000 Shares	7.07%	4.73%
Samantha Shorter	350,000 Shares	3.30%	2.21%

Notes:

(1) Based on 10,610,000 Shares issued and outstanding as at the date hereof.

(2) Based on 15,860,000 Shares issued and outstanding after giving effect to the Offering (including Corporate Finance Securities issued to the Agent and Shares issued to the Optionor within 15 days of the Exchange Approval Date).

Pursuant to the Escrow Agreement, the Shares held in escrow may be transferred within escrow to an individual who is a director or senior officer of the Company or of a material operating subsidiary of the Company, subject to the approval of the Company's Board, a person or company that before the proposed transfer holds more than 20% of the voting rights attached to the Company's issued and outstanding securities, or a person or company that after the proposed transfer will hold more than 10% of the voting rights attached to the Company's issued and outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Company or of any of its material operating subsidiaries.

Pursuant to the Escrow Agreement, upon the bankruptcy of a holder of escrowed Shares, such Shares may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities. Upon the death of a holder of Shares, all Shares of the deceased holder will be released from escrow to the deceased holder's legal representative.

Pursuant to the Escrow Agreement, as the Company is classified as an "emerging issuer", 10% of each holder's escrowed Shares, being 248,000 Shares in aggregate, will be released from escrow on the listing date and the remaining 2,232,000 (representing 14.07% of the Company's issued and outstanding Shares assuming completion of the Offering, and including the Corporate Finance Securities issued to the Agent and Shares issued to the Optionor within 15 days of the Exchange Approval Date) will remain in escrow to be released in equal tranches of 15% every six months thereafter in accordance with automatic timed release provisions of NP 46-201.

The complete text of the Escrow Agreement will be available for inspection during regular business hours at the offices of the Company or may be viewed under the Company's profile on SEDAR at www.sedar.com following Closing.

CONFLICTS OF INTEREST

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

At the time of entering into the Broken Handle Agreement, and as of the date of this Prospectus, Geoffrey Schellenberg was and is a director of both the Company and the Optionor. Mr. Schellenberg disclosed this interest to the Board and abstained from voting on the resolutions passed by the Board that approved the Broken Handle Agreement.

RISK FACTORS

This section describes the material risks affecting the Company's business, financial condition, operating results and prospects.

The securities offered hereby should be considered a highly speculative investment due to the nature of the Company's business and its present stage of development. A prospective investor should carefully review the risk factors set out below and all of the information disclosed in this Prospectus before making an investment decision. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. In that case, the trading price of the Shares could decline substantially, and investors may lose all or part of the value of the Shares held by them.

An investment in the Shares of the Company should only be made by persons who can afford a significant or total loss of their investment. There is currently no market through which the Offered Shares may be sold and purchasers may not be able to resell Offered Shares purchased under this Prospectus.

Certain statements included in this Prospectus constitute forward-looking information, including statements regarding planned exploration activities and future work planned at the Companies properties including the timing and estimated costs thereof, expected results of exploration activities, possible joint ventures, the intended use of proceeds, the requirement for future funding, expected future financial performance, the use of consultants, and the listing of the Offered Shares. In addition, information concerning the interpretation of exploration results may be considered forward-looking information. The Company cannot provide any assurance that forward-looking information will materialize and readers are cautioned not to place undue reliance on such information. See "*Forward-Looking Information*".

Risks Related to the Business of the Company

COVID-19

An emerging risk is a risk not well understood at the current time and for which the impacts on strategy and financial results are difficult to assess or are in the process of being assessed. Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as COVID-19, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Natural disasters, geopolitical instability or other unforeseen events

In addition to the outbreak of infectious disease or occurrence of pandemics, such as the recent outbreak of COVID-19; natural disasters; terrorism or other unanticipated events, in any of the areas in which the Company operates could cause interruptions in the Company's operations. Natural disasters, geopolitical tensions and instability (including terrorism) or other unforeseen events could negatively affect project development, operations, labour supply and financial markets, all or any of which could have a material adverse effect on the Company's business, financial condition, operational results or cash flows.

Lack of Revenue

As the Company does not have revenues, it will be dependent upon future financings to continue its plan of operation. The Company has not generated any revenues since incorporation. The Company's business objectives include the implementation and execution of exploration programs on the Broken Handle Project. There is no assurance that these exploration activities will result in the establishment of commercially exploitable mineral deposits on the Broken Handle Project. Even if commercially exploitable mineral deposits are discovered, the Company may require substantial additional financing in order to carry out the full exploration and development of the Broken Handle Project before the Company is able to achieve revenues from sales of mineral resources that the Company is able to extract. There is no assurance the Company will have the funds required to pay annual fees to keep its properties in good standing and to make option payments to keep certain property agreements in good standing. See *"Properties"* and *"Material Contracts"*.

Negative Operating Cash Flow

The Company has negative operating cash flow. The failure of the Company to achieve profitability and positive operating cash flows could have a material adverse effect on the Company's financial condition and results of operations. To the extent that the Company has negative cash flow in future periods, the Company may need to deploy a portion of its cash reserves to fund such negative cash flow. The Company expects to continue to sustain operating losses in the future until it generates revenue from the commercial production of its properties. There is no guarantee that the Company will ever be profitable.

Use of Funds

The Company's management has significant flexibility in applying the proceeds received from the Offering. Because a portion of the proceeds are not allocated to any specific purpose, investment or transaction, you cannot determine the value or propriety of management's application of the proceeds on the Company's behalf. (See "*Use of Proceeds*" for a more detailed description of how management intends to apply the proceeds of the Offering.)

Absence of Prior Public Market and Volatility of Share Prices

There has been no prior public market for the Company's Shares, and an active trading market may not develop or, if it does develop, may not be sustained. The lack of an active market may impair shareholders' ability to sell their Shares at the time they wish to sell them or at a price that they consider reasonable.

The lack of an active market may also reduce the fair market value and increase the volatility of the Shares. In the past, some companies have experienced volatility in their share value and have been the subject of securities class action litigation. The Company might become involved in securities class action litigation in the future. Such litigation often results in substantial costs and diversion of management's attention and resources and could have a negative effect on the Company's business and results of operation.

An inactive market may also impair the Company's ability to raise capital by selling Shares and to acquire other exploration properties or interests by using its Shares as consideration.

The Company may not be able to obtain sufficient financing to pursue all of its intended exploration activities or continue on a going concern basis

The Company's primary sources of capital resources are comprised of cash and cash equivalents and the issuance of securities. The Company will continuously monitor its capital structure and, based on changes in operations and economic conditions, may adjust the structure by issuing new shares as necessary. The recoverability of the carrying values of the Company's assets is dependent upon the ability of the Company to obtain the necessary financing to complete exploration activities.

While the Company has been successful in securing financing to date, there are no guarantees that it will be able to secure such financing in the future on terms acceptable to the Company, if at all. If the Company is unable to raise sufficient capital to fund all of its intended exploration activities, expenditures may be limited to the recommended work program on the Broken Handle Project. In the event that the Company is unable to fulfill its commitments under its various option agreements as a result of lack of funds or otherwise, the Company may lose its rights and interests in some or all of its properties. This could, in turn have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Conflicts of Interest

Certain of the directors and officers of the Company are also directors and officers of other resource companies involved in the mining industry and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as apply under the BCBCA.

Dependence on Key Personnel

The Company's success is highly dependent upon the performance of key personnel working part-time in management, supervisory and administrative capacities or as consultants. The loss of the services of its senior management or key personnel could have a material and adverse effect on the Company and its business and results of operations. The Company does not maintain key person insurance.

Reliance on Independent Contractors

The Company's success depends to a significant extent on the performance and continued service of independent contractors. The Company will contract the services of professional drillers and others for exploration, environmental, construction and engineering services. Poor performance by such contractors or the loss of such services could have a material and adverse effect on the Company and its business and results of operations and could result in failure to meet its business objectives.

Insurance

The Company may not always be able or may choose not to obtain insurance for many of the risks that it faces. In the course of exploration, development and production of mineral properties, several risks and, in particular, unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in an increase in costs and a decline in the value of the Company's securities. The Company is currently not insured against environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. The Company will periodically evaluate the cost and coverage of the insurance that is available against certain environmental risks to determine if it would be appropriate to obtain such insurance. Without such insurance, and if the Company becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate the Company's available funds or could exceed the funds it has to pay such liabilities and result in bankruptcy. Should the Company be unable to fund fully the remedial cost of an environmental problem, the Company might be required to enter into interim compliance measures pending completion of the required remedy.

Tax Issues

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

Liquidity

The possible sale of Shares released from escrow on each release date could negatively affect the market price of the Company's Shares and also result in an excess of sellers of Shares to buyers of Shares and seriously affect the liquidity of the Shares. See *"Escrowed Securities"*.

Unlimited Number of Authorized but Unissued Shares

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

A purchaser of the Offered Shares under the Offering will purchase such Offered Shares at a substantial premium to the current book value per Offered Share

The Offering Price of $0.10 per Offered Share is substantially higher than the current book value per share of the Shares issued prior to the completion of the Offering. As a result, purchasers of Offered Shares pursuant to the Offering will experience immediate dilution. Stock exchange listing is not certain.

The Company proposes to list the Shares distributed under this Prospectus as well as its existing issued and outstanding Shares on the CSE. Such listing will be subject to the Company fulfilling all the listing requirements of the CSE. If the Company fails to list the Shares on the CSE, the liquidity for its Shares would be significantly impaired, which may substantially decrease the trading price of the Shares.

In addition, in the future, the Company's securities may fail to meet the continued listing requirements to be listed on the CSE. If the CSE delists the Shares from trading on its exchange, the Company could face significant material adverse consequences, including:

- a limited availability of market quotations for the Shares;
- a limited amount of news and analyst coverage for the Company; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

The Company is not likely to pay dividends for an extended period of time

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on its Shares. The Company anticipates that, for the foreseeable future, it will retain its cash resources for the operation and development of its business. The declaration and payment of any dividends in the future is at the discretion of the Board and will depend on a number of factors, including compliance with applicable laws, financial performance, working capital requirements of the Company and such other factors as its directors consider appropriate, and the Company may never pay dividends.

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 Shares could decline

The trading market for the Shares will depend on the research and reports that securities or industry analysts publish about the Company and its business. The Company does not have any control over these analysts. The Company cannot assure that analysts will cover it or provide favourable coverage. If one or more of the analysts who cover the

Company downgrade its stock or reduce their opinion of the value of the Shares, the price of Shares would likely decline. If one or more of these analysts cease coverage of the Company or fail to regularly publish reports, the Company could lose visibility in the financial markets, which could cause the price and trading volume of the Shares to decline.

Issuance of Debt

From time to time, the Company may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed partially or wholly with debt, which may increase the Company's debt levels above industry standards. The Company's articles do not limit the amount of indebtedness that the Company may incur. The level of the Company's, indebtedness from time to time could impair the Company's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.

No History of Earnings

The Company has no history of earnings. The Company expects that it will continue to incur losses unless and until it enters into commercial production and generates sufficient revenues to fund operations. There is no assurance that its properties or any other properties it may acquire or obtain hereafter will generate any earnings, operate profitably or provide a return on investment in the future.

Future acquisitions may require significant expenditures and may result in inadequate returns

The Company may seek to expand through future acquisitions; however, there can be no assurance that the Company will locate attractive acquisition candidates, or that the Company will be able to acquire such candidates on economically acceptable terms, if at all, or that the Company will not be restricted from completing acquisitions pursuant to the terms and conditions from time to time of arrangements with third parties, such as the Company's creditors. Future acquisitions may require the Company to expend significant amounts of cash, resulting in the Company's inability to use these funds for other business or may involve significant issuances of equity or debt. Future acquisitions may also require substantial management time commitments, and the negotiation of potential acquisitions and the integration of acquired operations could disrupt the Company's business by diverting management and employees' attention away from day-to-day operations. The difficulties of integration may be increased by the necessity of coordinating geographically diverse organizations, integrating personnel with disparate backgrounds and combining different corporate cultures.

Any future acquisition involve potential risks, including, among other things: (i) mistaken assumptions and incorrect expectations about mineral properties, existing or potential mineral resources, mineral reserves and costs; (ii) an inability to successfully integrate any operation the Company acquired or acquires, as applicable; (iii) an inability to recruit, hire, train or retain qualified personnel to manage and operate the operations acquired; (iv) the assumption of unknown liabilities; (v) mistaken assumptions about the overall cost of equity or debt; (vi) unforeseen difficulties operating acquired projects, which may be in geographic areas new to the Company; and (vii) the loss of key employees and/or key relationships at the acquired project. In addition, competition for assets sometimes requires that acquisitions be completed on an "as is where is" basis, and therefore the Company would have no rights of recourse and indemnities against the sellers. Future acquisition candidates may have liabilities or adverse operating issues that the Company failed or fails to discover through due diligence prior to the acquisition. If the Company consummates any future acquisitions with, unanticipated liabilities or adverse operating issues or if acquisition-related expectations are not met, the Company's business, results of operations, cash flows, financial condition or prospects may be materially adversely affected. The potential impairment or complete write-off of goodwill and other intangible assets related to any such acquisition may reduce the Company's overall earnings and could negatively affect the Company's balance sheet.

The Company may expand into other geographic areas, which could increase the Company's operational, regulatory and other risks

While currently all of the Company's mining and exploration activities are in Canada, the Company may in the future expand into other geographic areas, which could increase the Company's operational, regulatory, compliance, reputational and foreign exchange rate risks. The failure of the Company's operating infrastructure to support such expansion could result in operational failures and regulatory fines or sanctions. Future international expansion could require the Company to incur a number of up-front expenses, including those associated with obtaining regulatory approvals, as well as additional ongoing expenses, including those associated with infrastructure, staff and regulatory compliance. The Company may not be able to successfully identify suitable acquisition and expansion opportunities, or integrate such operations successfully with the Company's existing operations.

The Company may be subject to costly legal proceedings

The Company may be subject to regulatory investigations, civil claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in regulatory actions and litigation, the difficulty of predicting decisions of regulators, judges and juries and the possibility that decisions may be reversed on appeal. Defense and settlement costs of legal disputes can be substantial, even with claims that have no merit. Management is committed to conducting business in an ethical and responsible manner, which it believes will reduce the risk of legal disputes. However, if the Company is subject to legal disputes, there can be no assurances that these matters will not have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company will incur increased costs as a result of complying with the reporting requirements, rules and regulations affecting public issuers

As a public issuer, the Company will be subject to the reporting requirements and rules and regulations under the applicable Canadian securities laws and rules of any stock exchange on which the Company's securities may be listed from time to time. Additional or new regulatory requirements may be adopted in the future. The requirements of existing and potential future rules and regulations will increase the Company's legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly and may also place undue strain on its personnel, systems and resources, which could adversely affect its business and financial condition.

In particular, as a result of the Offering, the Company will become subject to reporting and other obligations under applicable Canadian securities laws, including National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*. These reporting and other obligations will place significant demands on the Company as well as on the Company's management, administrative, operational and accounting resources.

Information technology

The Company relies on information technology systems and any inadequacy, failure, interruption or security breaches of those systems may harm its ability to effectively operate the business. The Company is dependent on various information technology systems, including, but not limited to, networks, applications and outsourced services in connection with the operation of the business. A failure of the Company's information technology systems to perform as it anticipates could disrupt the business and cause the business to suffer. In addition, the Company's information technology systems may be vulnerable to damage or interruption from circumstances beyond its control, including fire, natural disasters, systems failures, viruses and security breaches. Any such damage or interruption could have a material adverse effect on the business.

Cybersecurity incidents and technological disruptions

A cybersecurity incident or other technology disruptions could negatively impact the business and its reputation. The Company uses computers in substantially all aspects of business operations. It also uses mobile devices, social networking, cloud services and other online activities to connect with employees and contractors. Such uses give rise to cybersecurity risks, including security breaches, espionage, system disruption, theft and inadvertent release of information.

Climate change

Climate change may negatively affect the Company's business and operations. There is concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters.

Risks Related to Exploration and Mining

Exploration and Development

Resource exploration is a speculative business and involves a high degree of risk. There is no known body of commercial ore on the Broken Handle Project and there is no certainty that the expenditures made by the Company in the exploration of the Broken Handle Project or otherwise will result in discoveries of commercially recoverable quantities of minerals. The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Although the discovery of an ore body may result in substantial rewards, few properties explored are ultimately developed into producing mines. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation.

There is no assurance that the Broken Handle Project possesses commercially mineable bodies of ore. The Broken Handle Project is in the exploration stage as opposed to the development stage and has no known body of economic mineralization. The known mineralization of the Broken Handle Project has not been determined to be economic ore and there can be no assurance that a commercially mineable ore body exists on the Broken Handle Project. Such assurance will require completion of final comprehensive feasibility studies and, possibly, further associated exploration and other work that concludes a potential mine is likely to be economic. In order to carry out exploration and development programs of any economic ore body and place it into commercial production, the Company may be required to raise substantial additional funding.

Significant capital investment is required to discover commercial ore and to commercialize production from successful exploration efforts. The commercial viability of a mineral deposit is dependent upon a number of factors. These include: (i) deposit attributes such as size, grade and proximity to infrastructure, (ii) current and future metal prices (which can be cyclical), and (iii) government regulations, including those relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and necessary supplies and environmental protection. The complete effect of these factors, either alone or in combination, cannot be entirely predicted, and their impact may result in the Company not receiving an adequate return on invested capital.

Market fluctuations and the prices of metals may render resources uneconomic. Moreover, short-term operating factors relating to the mineral deposits, such as the need for orderly development of the deposits or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any particular accounting period.

Mining operations are risky

The Company's current business, and any future development or mining operations, involve various types of risks and hazards typical of companies engaged in the mining industry. Such risks include, but are not limited to: (i) industrial accidents; (ii) unusual or unexpected rock formations; (iii) structural cave-ins or slides and pitfall, ground or slope failures and accidental release of water from surface storage facilities; (iv) fire, flooding and earthquakes; (v) rock bursts; (vi) metal losses in handling and transport; (vii) periodic interruptions due to inclement or hazardous weather conditions; (viii) environmental hazards; (ix) discharge of pollutants or hazardous materials; (x) failure of processing and mechanical equipment and other performance problems; (xi) geotechnical risks, including the stability of the underground hanging walls and unusual and unexpected geological conditions; (xii) unanticipated variations in grade and other geological problems, water, surface or underground conditions; (xiii) labour disputes or slowdowns; (xiv) work force health issues as a result of working conditions; and (xv) force majeure events, or other unfavourable operating conditions.

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

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

Operations during mining cycle peaks are more expensive

During times of increased demand for metals and minerals, price increases may encourage expanded mining exploration, development and construction activities. These increased activities may result in escalating demand for and cost of contract exploration, development and construction services and equipment. Increased demand for and cost of services and equipment could cause exploration, development and construction costs to increase materially, resulting in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and increased potential for scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, development or construction costs, result in project delays, or increase operating costs.

Acquisition of Additional Mineral Properties

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

Title

There is no assurance that the Company's title to its properties will not be challenged. The acquisition of title to mineral exploration properties is a very detailed and time-consuming process. Title to and the area of mineral properties may be disputed. While the Company has diligently investigated title to its properties, it may be subject to prior unregistered agreements or transfers or indigenous land claims and title may be affected by undetected defects. Consequently the boundaries may be disputed.

Surface Rights

Permission for surface access must be negotiated with the owners of the surface rights to the areas covered by the mining concessions, and commonly involve leasing of the surface rights. The Company currently does not have any agreements in place regarding the Broken Handle Project, and there is no guarantee the Company will be able to negotiate and enter into any such agreement as may be required to have access to do significant work. Further, there are potential risks with regard to the completion of a successful exploration program in that there is a possibility of not being able to enter into a surface access agreement over part of the area of interest, or problems with obtaining an environmental permit for road construction and drilling.

Permits and Licenses

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

The costs associated with compliance with these laws and regulations and of obtaining licenses and permits are substantial, and possible future laws and regulations, changes to existing laws and regulations and more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the development of its properties. There is no assurance that future changes in such laws and regulations, if any, will not adversely affect the Company's operations. Moreover, these laws and regulations may allow governmental authorities and private parties to bring lawsuits based upon damages to property and injury to persons resulting from the environmental, health and safety practices of the Company's past and current operations, or possibly even the actions of former property owners, and could lead to the imposition of substantial fines, penalties or other civil or criminal sanctions. The Company may fail to comply with current or future laws and regulations. Such non-compliance can lead to financial restatements, civil or criminal fines, penalties, and other material negative impacts on the Company.

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

Social and environmental activism can negatively impact exploration, development and mining activities

There is an increasing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and 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 operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Competitive Nature of the Mining Industry

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

Environmental, Health and Safety Regulation of Resource Industry

The operations of the Company require permits from various levels of government. Such operations are subject to laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. The Company believes it is in substantial compliance with all material laws and regulations that currently apply to its activities. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations, particularly environmental permits, will be obtainable on reasonable terms or that compliance with such laws and regulations would not have an adverse effect on the profitability of any mining project that the Company might undertake.

All phases of the Company's operations are subject to environmental regulations in various jurisdictions. If the Company's properties are proven to host economic reserves of metals, mining operations will be subject to federal, state and local laws relating to the protection of the environment, including laws regulating removal of natural resources from the ground and the discharge of materials into the environment. Mining operations will be subject to federal, state and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of mining methods and equipment. Various permits from government bodies are required for mining operations to be conducted; no assurance can be given that such permits will be received. No assurance can be given that environmental standards imposed by federal, state or local authorities will not be changed or that any such changes would not have material adverse effects on the Company's activities. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on the Company. Additionally, the Company may be subject to liability for pollution or other environmental damage, which it may not be able to insure against.

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 the 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 production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Aboriginal rights claims may impact the Company's interest in the Broken Handle Project

Aboriginal rights, including Aboriginal title, may be asserted on Crown land or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's 2014 decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared Aboriginal title. Rights conferred by Aboriginal title include the right to decide how the land will be used, the right to enjoy, occupy and possess the land, and the right to proactively use and manage the land, including its natural resources. The Broken Handle Project may now or in the future be subject to Aboriginal title claims or claims of other Aboriginal rights.

Aboriginal rights are a matter of considerable complexity, and their impact on the Company's potential ownership interest in the Broken Handle Project cannot be predicted with any degree of certainty. No assurance can be given that recognition of Aboriginal rights in the area in which the Broken Handle Project is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of Aboriginal rights and interests in order to facilitate exploration and development work on the Broken Handle Project. There is no assurance that the Company will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop the Broken Handle Project.

The Company may be negatively impacted by changes to mining laws and regulations

The Company's activities are subject to various laws governing prospecting, exploration, development, production, taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Mining, exploration and development activities are also subject to various laws and regulations relating to the protection of the environment. Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of the Company's properties. Amendments to current laws and regulations governing the Company's operations and activities or more stringent implementation of such laws and regulations could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Availability of Drilling Equipment and Access Restrictions

Mining exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Company and may delay exploration and development activities. 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.

The Broken Handle Project is located in an underdeveloped rural area

The Broken Handle Project is located in an underdeveloped rural area, resulting in technical challenges for conducting mineral exploration and development and any potential mining activities at the property. The Company benefits from modern mining transportation skills and technologies for exploring and operating in such areas. Nevertheless, the Company may sometimes be unable to overcome problems related to underdevelopment or unseasonable weather at a commercially reasonable cost, which could negatively affect the Company's mineral exploration and development and any potential mining activities at the property and have a material adverse effect on the Company. The rural location of the Broken Handle Project also results in increased costs associated with land access and infrastructure, including powerlines, water pipelines and transportation.

Stress in the Global Economy

Reduction in credit, combined with reduced economic activity and the fluctuations in either or both of the Canadian dollar and the United States dollar, may adversely affect businesses and industries that purchase commodities, affecting commodity prices in more significant and unpredictable ways than the normal risks associated with commodity prices. The availability of services such as drilling contractors and geological service companies and/or the terms on which these services are provided may be adversely affected by the economic impact on the service providers. The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Company's business, operating results, and financial condition.

Current Global Financial Condition

Global financial conditions may be characterized by extreme volatility. Global financial conditions could suddenly and rapidly destabilize in response to future economic shocks, as government authorities may have limited resources to respond to future crises. Future economic shocks may be precipitated by a number of causes, such as a rise in the price of oil, geopolitical instability, natural disasters, worsening of COVID-19 or other pandemics and other unforeseen events. Any sudden or rapid destabilization of global economic conditions could impact the Company's ability to obtain equity or debt financing in the future on terms favourable to the Company. Additionally, any such occurrence could cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses and ultimately have a material adverse effect the Company's business, operations and financial condition.

Furthermore, general market, political and economic conditions, including, for example, inflation, interest and currency exchange rates, structural changes in the global mining industry, global supply and demand for commodities, political developments, legislative or regulatory changes, civil, political or labour unrest and stock market trends will affect the Company's operating environment and its operating costs, profit margins and share price. Any negative events in the global economy could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. However, no assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations, repatriation of income and return of capital. This may affect both the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Fluctuating Mineral Prices

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have historically fluctuated widely. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

There are no legal proceedings or pending legal proceedings to which the Company is or is likely to be a party or of which its properties are likely to be the subject.

Regulatory Actions

There have been no:

(a) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority in the three years immediately preceding the date hereof;

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

(c) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority in the three years immediately preceding the date hereof.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described herein, there are no material interests, direct or indirect, of officers, senior officers, any shareholders who beneficially own, directly or indirectly, more than 10% of the outstanding Shares or any known associate or affiliates of such persons, in any transaction since incorporation or in any proposed transaction which has materially affected or would materially affect the Company. See "*Business of the Company*" and "*Conflicts of Interest*".

RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT

The Company is not a "related issuer" or a "connected issuer" to the Agent, in each case as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*. Members of the Agent's professional group directly and indirectly hold an aggregate of 1,050,000 Shares, representing 9.90% of the issued and outstanding Shares prior to the Offering.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Independent Auditor

The independent auditor of the Company is Davidson & Company LLP, Chartered Professional Accountants of 1200 – 609 Granville Street, Vancouver, BC V7Y 1G6. Davidson & Company LLP, Chartered Professional Accountants, has advised the Company that they are independent of the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Transfer Agent and Registrar

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

MATERIAL CONTRACTS

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

1. Broken Handle Agreement (prior to amendment) dated December 15, 2020 and referred to under "*Business of the Company – Property Agreements – Broken Handle Agreement*".

2. Amending Agreement to the Broken Handle Agreement made as of April 13, 2022 and referred to under "*Business of the Company – Property Agreements – Broken Handle Agreement*".

3. Agency Agreement referred to under "*Plan of Distribution*".

4. Escrow Agreement referred to under "*Escrowed Securities*".

5. Management Services Agreement, pursuant to which the Manager provides corporate administration management services and office space to the Company. The Management Services Agreement terminates upon thirty days prior written notice by either party, with customary exceptions in the case of bankruptcy, insolvency or if a party fails to perform or serve any covenant or condition under the Management Services

Agreement and if such failure continues. Pursuant to the Management Services Agreement, the Company pays the Manager a monthly management fee of $4,000 per month and a rental fee for office space of $1,000 per month. The Manager is furthermore entitled for reimbursement of reasonable expenses, as approved by the Company, including salary costs for any employees of the Manager who spend their time on the affairs of the Company. The Management Services Agreement furthermore contains customary indemnification and liability provisions in favour of each party. In the event of any dispute between the parties, the parties agree to arbitration.

Copies of these agreements, together with the Broken Handle Report, will be available on the SEDAR website at www.sedar.com and will be available for inspection at the office of the Company at 625 Howe Street, Suite 1180, Vancouver, BC, V6C 2T6 during normal business hours during the period of the distribution of the securities offered hereby and for a period of 30 days thereafter.

EXPERTS

Names of Experts

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

(a) F. Kenneth (Ken) MacDonald, P.Geo., senior Author of the Broken Handle Report and a "Qualified Person" and "Independent" as defined in NI 43-101;

(b) Patrick McLaughlin. P.Geo., junior Author of the Broken Handle Report and a "Qualified Person" who is not "Independent" of the Company as defined in NI 43-101;

(c) Davidson & Company LLP, Chartered Professional Accountants, independent auditor of the Company, who is independent of the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia; and

(d) Farris LLP.

Interests of Experts

Other than as disclosed herein, none of the foregoing persons or companies has held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates.

Certain legal matters related to the Offering will be passed upon on the Company's behalf by Farris LLP and on behalf of the Agent by Getz Prince Wells LLP. Except as herein disclosed, to the best of the Company's knowledge, after reasonable inquiry, as of the date hereof, the aforementioned partnerships (and their partners and associates) each beneficially own, directly or indirectly, in the aggregate, less than 1% of the outstanding Shares.

OTHER MATERIAL FACTS

There are no further facts or particulars in respect of the securities being distributed pursuant to this Prospectus that are not already disclosed herein that are necessary to be disclosed for this Prospectus to contain full, true and plain disclosure of all material facts relating to such securities.

PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

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

LIST OF EXEMPTIONS

The Company has not applied for or received any exemption from NI 41-101, regarding this Prospectus or the distribution of its securities under this Prospectus.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended July 31, 2022 and for the period from the date of incorporation on September 8, 2020 to July 31, 2021, are attached as Schedule "B".

SIGNIFICANT ACQUISITIONS

The Company has not completed any significant acquisitions, as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations* since incorporation other than entering into the Broken Handle Agreement with the Optionor on December 15, 2020, as amended, and as described above at *"Business of the Company – Property Agreements – Broken Handle Agreement*", pursuant to which the Company has the right to acquire a 75% interest in and to the Broken Handle Project subject to the Optionor 1.5% NSR and the 1218802 1.0% NSR. The Company paid the Optionor $15,000 on initial signing of the Broken Handle Agreement.

SCHEDULE "A"
AUDIT COMMITTEE CHARTER

A. Purpose

The overall purpose of the Audit Committee (the "**Committee**") is to ensure that the Corporation's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the financial statements and related financial disclosure of the Corporation and to review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information.

B. Composition, Procedures and Organization

1. The Committee shall consist of at least three members of the Board of Directors (the "**Board**"), the majority of whom are not executive officers, employees or control persons of the Corporation or an affiliate of the Corporation.

2. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

3. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.

4. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

5. The Committee shall have access to such officers and employees of the Corporation and to the Corporation's external auditors, and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

6. Meetings of the Committee shall be conducted as follows:

   (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;

   (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and

   (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.

7. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Corporation as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

C. Roles and Responsibilities

1. The overall duties and responsibilities of the Committee shall be as follows:

   (a) to assist the Board in the discharge of its responsibilities relating to the Corporation's accounting principles, reporting practices and intern.al controls and its approval of the Corporation's annual and quarterly financial statements and related financial disclosure;

(b) to establish and maintain a direct line of communication with the Corporation's internal and external auditors and assess their performance;

(c) to ensure that the management of the Corporation has designed, implemented and is maintaining an effective system of internal financial controls; and

(d) to report regularly to the Board on the fulfilment of its duties and responsibilities.

2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:

(a) to recommend to the Board a firm of external auditors to be engaged by the Corporation, and to verify the independence of such external auditors;

(b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;

(c) review the audit plan of the external auditors prior to the commencement of the audit;

(d) to review with the external auditors, upon completion of their audit:

(i) contents of their report;

(ii) scope and quality of the audit work performed;

(iii) adequacy of the Corporation's financial and auditing personnel;

(iv) co-operation received from the Corporation's personnel during the audit;

(v) internal resources used;

(vi) significant transactions outside of the normal business of the Corporation;

(vii) significant proposed adjustments and recommendations for improving internal accounting

(viii) controls, accounting principles or management systems; and

(ix) the non-audit services provided by the external auditors;

(e) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles; and

(f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

3. The duties and responsibilities of the Committee as they relate to the Corporation's internal auditors are to:

(a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;

(b) review and approve the internal audit plan; and

(c) review significant internal audit findings and recommendations, and management's response thereto.

4. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Corporation are to:

   (a) review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;

   (b) review compliance under the Corporation's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;

   (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Corporation; and

   (d) periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

5. The Committee is also charged with the responsibility to:

   (a) review the Corporation's quarterly statements of' earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;

   (b) review and approve the financial sections of:

      (i) the annual report to shareholders; ·

      (ii) the annual information form, if required;

      (iii) annual and interim MD&A;

      (iv) prospectuses;

      (v) news releases discussing financial results of the Corporation; and

      (vi) other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto; ·

   (c) review regulatory filings and decisions as they relate to the Corporation's financial statements;

   (d) review the appropriateness of the policies and procedures used in the preparation of the Corporation's financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;

   (e) review and report on the integrity of the Corporation's financial statements;

   (f) review the minutes of any audit committee meeting of subsidiary companies;

   (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Corporation and the manner in which such matters have been disclosed in the financial statements;

   (h) review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

(i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

6. The Committee shall have the authority:

(a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,

(b) to set and pay the compensation for any advisors employed by the Committee; and

(c) to communicate directly with the internal and external auditors.

SCHEDULE "B"
FINANCIAL STATEMENTS OF THE COMPANY
FOR THE YEAR ENDED JULY 31, 2022 AND FOR THE PERIOD FROM THE DATE OF INCORPORATION ON SEPTEMBER 8, 2020 TO JULY 31, 2021

(See attached)

Hawthorn Resources Corp.

Financial Statements
(Expressed in Canadian Dollars)

For the year ended July 31, 2022 and for the period from incorporation on September 8, 2020 to July 31, 2021

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Hawthorn Resources Corp.

Opinion

We have audited the accompanying financial statements of Hawthorn Resources Corp. (the "Company"), which comprise the statements of financial position as at July 31, 2022 and 2021, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the year ended July 31, 2022, and for the period from incorporation on September 8, 2020 to July 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2022 and 2021, and its financial performance and its cash flows for the year ended July 31, 2022, and for the period from incorporation on September 8, 2020 to July 31, 2021 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 in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company has a working capital deficiency and requires additional financing to continue operations. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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.

[DRAFT]

Vancouver, Canada | Chartered Professional Accountants

September 8, 2022

Hawthorn Resources Corp.
Statements of Financial Position
(Expressed in Canadian dollars)

As at	July 31, 2022	July 31, 2021
ASSETS		
Current		
Cash	$ 161,585	$ 203,332
Receivables	4,713	-
	166,298	203,332
Exploration and evaluation asset (Note 4)	15,000	15,000
Deferred financing costs (Note 11)	30,831	-
	$ 212,129	$ 218,332
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 6)	$ 191,244	$ 68,000
Shareholders' equity		
Share capital (Note 5)	254,500	218,500
Deficit	(233,615)	(68,168)
	20,885	150,332
	$ 212,129	$ 218,332

Nature and continuance of operations (Note 1)
Proposed Transaction (Note 11)

Approved on Behalf of the Board on September 7, 2022:

"Daniel Joyce"
Daniel Joyce – Director

"Samantha Shorter"
Samantha Shorter - Director

The accompanying notes are an integral part of these Financial Statements.

Hawthorn Resources Corp.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	For the year ended July 31, 2022	For the period from incorporation on September 8, 2020 to July 31, 2021
EXPENSES		
Management fees (Note 6)	$ 48,000	$ 46,000
Office and rent	27,602	7,168
Professional fees (Note 6)	89,845	15,000
Loss and comprehensive loss for the period	$ 165,447	$ 68,168
Basic and diluted loss per common share	$ (0.02)	$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	10,467,973	6,512,117

The accompanying notes are an integral part of these Financial Statements.

Hawthorn Resources Corp.
Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Deficit	Total
Balance, September 8, 2020	1	$ -	$ -	$ -
Shares issued for cash	10,249,999	218,500	-	218,500
Loss for the period	-	-	(68,168)	(68,168)
Balance, July 31, 2021	10,250,000	$ 218,500	$ (68,168)	$ 150,332
Shares issued for cash	360,000	36,000	-	36,000
Loss for the year	-	-	(165,447)	(165,447)
Balance, July 31, 2022	10,610,000	$ 254,500	$ (233,615)	$ 20,885

The accompanying notes are an integral part of these Financial Statements.

Hawthorn Resources Corp.
Statements of Cash Flows
(Expressed in Canadian dollars)

	For the year ended July 31, 2022	For the period from incorporation on September 8, 2020 to July 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (165,447)	$ (68,168)
Changes in non-cash working capital items:		
Receivables	(4,713)	-
Accounts payable and accrued liabilities	117,413	68,000
Net cash used in operating activities	(52,747)	(168)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of mineral property	-	(15,000)
Net cash used in investing activities	-	(15,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	36,000	218,500
Deferred financing costs	(25,000)	-
Net cash provided by financing activities	11,000	218,500
Change in cash for the period	(41,747)	203,332
Cash, beginning of period	203,332	-
Cash, end of period	$ 161,585	$ 203,332

The Company's non-cash transactions are as follows:

In the year ended July 31, 2022, the Company incurred deferred financing costs of $5,831 through accounts payable and accrued liabilities.

There were no significant non-cash investing or financing activities for the period from incorporation on September 8, 2020 to July 31, 2021

1 NATURE AND CONTINUANCE OF OPERATIONS

Hawthorn Resources Corp., (the "Company") was incorporated under the Business Corporations Act (British Columbia) ("BCBCA") on September 8, 2020.

The address of its head office is located at Suite 420-625 Howe Street, Vancouver, British Columbia, Canada V6C 2T6 3V7. The Company's registered and records office is Suite 420-625 Howe Street, Vancouver, British Columbia, Canada V6C 2T6 3V7.

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company's ability to continue as a going concern is dependent upon its ability to raise funds primarily through the issuance of shares or achieve profitable operations. The outcome of these matters cannot be predicted at this time. The Company has a working capital deficiency and requires additional financing to continue operations. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

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

The Company is in the process of filing an initial prospectus offering (Note 11)

2 BASIS OF PREPARATION

Statement of compliance

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

Basis of presentation

The financial statements have been prepared on a historical cost basis, except for certain financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Use of judgments and estimates

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

2 BASIS OF PREPARATION (continued)

Use of judgments and estimates (continued)

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances, as the basis for its estimates and assumptions. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. Actual outcomes may differ from those estimates under different assumptions and conditions.

The key areas of judgment applied in the preparation of the consolidated financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

- Going concern

  The assessment of the Company's ability to continue as a going concern and to raise additional funding to cover its ongoing operating expenditures and to meet its liabilities for the ensuing year, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances (Note 1).

- Valuation of exploration and evaluation assets

  The recognition of exploration and evaluation assets requires judgment regarding future recoverability and carrying cost. The cost model is utilized and the value of the exploration and evaluation assets is based on the acquisition expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

3 SIGNIFICANT ACCOUNTING POLICIES

Exploration and evaluation asset

The Company is in the process of exploring its exploration and evaluation interests and has not yet determined whether these properties contain ore reserves that are economically recoverable.

All costs related to the acquisition of exploration and evaluation assets, including option payments, are capitalized. Amounts received for the sale of exploration and evaluation assets and for receipt of option payments are treated as reductions of the cost of the property, with receipts in excess of capitalized costs recognized in profit or loss. The recoverability of the amounts capitalized for the undeveloped exploration and evaluation assets is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to obtain the necessary financing to complete their development, and future profitable production or proceeds from the disposition thereof. Subsequent recovery of the resulting carrying value depends on successful development or sale of the exploration and evaluation assets. If an exploration and evaluation asset does not prove viable, all unrecoverable costs associated with the project net of any impairment provisions are written off.

Exploration and evaluation expenditures are recognized in profit or loss. Costs incurred before the Company has obtained legal rights to explore on areas of interest are recognized in profit or loss. Expenditures incurred by the Company in connection with the exploration and evaluation of exploration and evaluation assets after the technical feasibility and commercial viability of extracting a mineral resource are demonstrable are capitalized.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Exploration and evaluation asset (continued)

Title to exploration and evaluation assets involves inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently unreliable conveyance history characteristics of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and proposed acquisition of exploration and evaluation asset interests and to the best of its knowledge the properties are in good standing.

From time to time, the Company may acquire or dispose of properties pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as exploration and evaluation asset costs or recoveries when the payments are made or received.

Impairment

The carrying amounts of the Company's non-financial assets, other than deferred tax assets if any, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

Financial instruments

<u>Financial assets</u>

The Company classifies its financial assets in the following categories: fair value through profit or loss, amortized cost or fair value through other comprehensive income. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are initially recognized at fair value with changes in fair value recorded in profit or loss. Transaction costs are expensed in profit or loss.

Amortized cost

Financial assets are classified at amortized cost if both of the following criteria are met and the financial assets are not classified or designated as fair value through profit and loss: 1) the Company's objective for these financial assets is to collect their contractual cash flows and 2) the asset's contractual cash flows represent 'solely payments of principal and interest'. The Company's cash and receivables is recorded at amortized cost.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Fair value through other comprehensive income ("OCI")

For financial assets that are not held for trading, the Company can make an irrevocable election at initial recognition to classify the instruments at fair value through other comprehensive income ("FVOCI"), with all subsequent changes in fair value being recognized in other comprehensive income. This election is available for each separate investment. Under this new FVOCI category, fair value changes are recognized in OCI while dividends are recognized in profit or loss. On disposal of the investment the cumulative change in fair value is not recycled to profit or loss, rather transferred to deficit. The Company does not have any financial assets designated as FVOCI.

Financial liabilities

Financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs, and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit or loss over the period to maturity using the effective interest method.

Financial liabilities are classified as current or non-current based on their maturity date. Financial liabilities include accounts payable and accrued liabilities.

Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 – Inputs for the asset or liability that are not based on observable market data.

Loss per share

Basic loss per share is calculated by dividing the loss available to common shareholders by the weighted average number of shares outstanding in the period. Diluted loss per share is calculated by using the treasury stock method. Under the treasury stock method, the weighted average number of shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. In the Company’s case, diluted loss per share is the same as basic loss per share, as the effects of including all outstanding options and warrants would be anti-dilutive.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes (continued)

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. Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the date of the statement of financial position.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the asset.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable than an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the liability.

Share capital

The Company records in share capital proceeds from share issuances, net of issuance costs and any tax effects. Stock options and other equity instruments issued as purchase consideration in non-monetary transactions are recorded at fair value determined by management using the Black-Scholes option pricing model. Proceeds from unit placements are allocated between shares and warrants issued according to the residual value method. Under this method, the Company first allocates the proceeds to the share, up to the assessed fair value. The remainder is allocated to the attached warrant.

Share issuance costs

Costs directly identifiable with the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs. These costs are presented as other assets until the issuance of the shares to which the costs relate, at which time the costs charged against the related share capital or charged to profit or loss if the shares are not issued.

New standards not yet adopted

IAS 1 – Presentation of Financial Statements: The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual agreement in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2023.

4 EXPLORATION AND EVALUATION ASSET

Broken Handle Property

The Company entered into an option agreement (the "**Broken Handle Agreement**") with Origen Resources Inc. (the "**Optionor**") on December 15, 2020 and subsequently amended on April 13, 2022 to acquire a 75% right, title and interest (the "**Acquired Interest**") to certain claims (the "**Broken Handle Project**") subject to a 1.5% net smelter return ("**NSR**") royalty on the Acquired Interest (the "**Optionor 1.5% NSR**").

Under the terms of the option agreement, the Company may acquire the interest by:

a) paying an aggregate of $250,000 and issuing an aggregate of 1,000,000 shares to Origen as follows:

   i. $15,000 upon signing of the Broken Handle Agreement (paid);

   ii. $25,000 and issuing 150,000 shares within 15 days of acceptance of the National Instrument ("NI") 43-101 report by a recognised Canadian Stock Exchange and approval to list the shares to trade ("Exchange Approval Date");

   iii. Issuing 200,000 shares on or before 12 months after the Exchange Approval Date;

   iv. $60,000 on or before 18 months of the Exchange or Approval Date;

   v. $70,000 and issuing 250,000 shares on or before the second anniversary of the Exchange Approval Date;

   vi. $80,000 and issuing 400,000 shares on the third anniversary of the Exchange Approval Date.

b) incurring $500,000 in exploration expenditures as follows:

   i. $100,000 on or before the first anniversary of the Exchange Approval Date.

   ii. $400,000 on or before the third anniversary of the Exchange Approval Date

In the event that the Exchange Approval Date has not occurred by September 30, 2022, the Company or the Optionor may elect to terminate the agreement.

The Company will have the right to purchase from Origen 1% of the Optionor 1.5% NSR within one year of commencement of commercial production, at a cost of $1,000,000.

The Broken Handle Project is also subject to a 1% NSR ("**1% NSR")** payable to an arm's-length private company.

Details of exploration and evaluation asset balances are as follows:

(Expressed in Canadian dollars)

4 EXPLORATION AND EVALUATION ASSET (continued)

Broken Handle Property (continued)

		Broken Handle Property
Balance, September 8, 2020	$	-
Additions – cash payments		15,000
Balance, July 31, 2021 and 2022	$	15,000

5 SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

During the year ended July 31, 2022, the Company:

- Closed a non-brokered private placement financing and issued 360,000 common shares for proceeds of $36,000.

During the period from incorporation on September 8, 2020 to July 31, 2021, the Company:

- Issued one common share at a value of $0.005 on September 8, 2020, the date of incorporation
- Closed a non-brokered private placement financing and issued 3,499,999 common shares for proceeds of $17,500.
- Closed a non-brokered private placement financing and issued 4,550,000 common shares for proceeds of $91,000.
- Closed a non-brokered private placement financing and issued 2,200,000 common shares for proceeds of $110,000.

6 RELATED PARTY TRANSACTIONS

Key management personnel includes those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Board and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

(Expressed in Canadian dollars)

6 RELATED PARTY TRANSACTIONS (continued)

During the year ended July 31, 2022 the Company entered into the following transactions with related parties, not disclosed elsewhere in these financial statements:

	July 31, 2022	July 31, 2021
Management fees	$ -	$ 18,000
Professional fees	18,000	3,000
	$ 18,000	$ 21,000

As at July 31, 2022, $22,050 (July 31, 2021 - $21,000) was included in accounts payable and accrued liabilities owing to officers and directors of the Company in relation to management fees, professional fees and reimbursement of expenses.

7 INCOME TAXES

A reconciliation of income taxes (recovery) at statutory rates with the reported taxes for the year ended July 31, 2022 and for the period ended July 31, 2021 are as follows:

	July 31, 2022	July 31, 2021
Loss before income taxes	$ (165,447)	$ (68,168)
Expected income tax (recovery)	$ (45,000)	$ (18,000)
Change in unrecognized deductible temporary differences	45,000	18,000
Income tax recovery	$ -	$ -

The significant components of the Company's unrecognized temporary differences and tax losses are as follows:

	2022	Expiry Date Range	2021	Expiry Date Range
Non-capital losses	234,000	2041-2042	68,000	2041

8 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Cash, receivables and accounts payable and accrued liabilities are carried at amortized cost. The Company considers that the carrying amount of these financial assets and liabilities measured at amortized cost to approximate their fair value due to the short-term nature of the financial instruments.

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash in a major Canadian bank.

8 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. As at July 31, 2022, the Company had working capital deficit of $24,946. The Company's financial obligations are limited to accounts payable and accrued liabilities, all of which have contractual maturities of less than a year. The Company is exposed to liquidity risk.

Interest rate risk

The Company's financial asset exposed to interest rate risk consists of cash. Management believes the interest rate risk is low given the current low global interest rate environment. As at July 31, 2022, the Company maintained all of its cash balance on deposit with a major Canadian bank.

Foreign currency risk

The Company may at times be exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in a foreign currency. As at July 31, 2022, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

9 CAPITAL MANAGEMENT

The Company's capital management objective is to maintain financial capacity to sustain the future development of the business.

The Company's capital structure includes shareholders' equity. The Company manages its capital structure to maximize its financial flexibility to adjust to changes in in economic conditions. The Company is not subject to externally imposed capital requirements.

10 SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration and evaluation of resource properties in British Columbia, as describe in Note 4.

11 PROPOSED TRANSACTION

The Company is in the process of filing a final prospectus with the securities regulatory authorities in the Provinces of British Columbia, Alberta and Ontario and with the Canadian Securities Exchange (the "Exchange"), offering 5,000,000 common shares at a price of $0.10 per common share ("Issue Price") for gross proceeds of $500,000 as its Initial Public Offering ("IPO") (the "Offering").

11 PROPOSED TRANSACTION (continued)

Pursuant to an engagement agreement between the Company and Haywood Securities Inc. (the "Agent"), the Agent will receive cash commission equal to 7% of the gross proceeds and agents options equal to 7% of the common shares sold pursuant to the Offering. Each agent's option will be exercisable into one common share at a price of $0.10 for a period of 24 months from closing. The Agent will also be paid a corporate finance fee of $20,000, of which $10,000 was paid upon signing of the agreement and $10,000 will be paid on the closing of the IPO. The Company will also reimburse the agent for expenses, legal fees and disbursements in connection with the Offering, and the Company also agreed to issue the Agent 100,000 common shares, valued at $10,000 as a corporate finance fee.

As at July 31, 2022, the Company has incurred $30,831 in deferred financing costs.

SCHEDULE "C"
MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY
FOR THE YEAR ENDED JULY 31, 2022

(See attached)

HAWTHORN RESOURCES CORP.

("Hawthorn" or "the Company")

FORM 51-102F1
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2022

Introduction

This management discussion and analysis ("**MD&A**") of the financial position and results of operations is the responsibility of management and is intended to supplement the audited financial statements of the Company for the year ended July 31, 2022 and for the period from incorporation on September 8, 2020 to July 31, 2021, and the related notes thereto, and has been prepared as of September 7, 2022. The audited financial statements for the year ended July 31, 2022 and for the period from incorporation on September 8, 2020 to July 31, 2021 have been prepared in accordance with IFRS. This MD&A contains forward-looking statements. Please refer to the cautionary language at the end of this document. Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations. The Company is currently engaged in exploration and development of mineral properties and does not have any source of revenue or operating assets. The recoverability of the amounts shown for mineral properties is dependent upon the ability of the Company to obtain necessary financing to complete exploration, technical studies and, if warranted, development and future profitable production or proceeds from the disposition of properties.

This MD&A is dated as September 7, 2022.

The Company's head office and registered office is located at 625 Howe Street, Suite 1180, Vancouver, BC, Canada, V6C 2T6. The Company was incorporated under the *Business Corporations Act* (British Columbia) on September 8, 2020.

Description of Business

The Company is a mineral resource company engaged in the business of acquiring and exploring mineral resource properties in Canada. The Company's principal property is the Broken Handle Project, located in British Columbia, Canada. Please refer to the "*Additional Disclosure for Venture Issuers Without Significant Revenue*" section below for the acquisition and project details.

Performance Summary and Subsequent Events

During the period from incorporation on September 8, 2020 to July 31, 2021 the Company issued an aggregate of 10,250,000 common shares at various prices for aggregate proceeds of $218,500.

During the year ended July 31, 2022, the Company closed a private placement whereas an aggregate of 360,000 common shares of the Company were issued at a subscription price of $0.10 per common share for aggregate gross proceeds of $36,000.

On June 9, 2022, the Company filed a preliminary prospectus with the securities regulatory authorities in the Provinces of British Columbia, Alberta and Ontario and with the Canadian Securities Exchange (the "**Exchange**"), offering 5,000,000 common shares at a price of $0.10 per common share ("**Issue Price**") for gross proceeds of $500,000 as its Initial Public Offering ("**IPO**") (the "**Offering**").

Pursuant to an engagement agreement between the Company and Haywood Securities Inc. (the "**Agent**"), the Agent will receive cash commission equal to 7% of the gross proceeds and the Agents options will equal to 7% of the common shares sold pursuant to the Offering. Each agent's option will be exercisable into one common share at a price of $0.10 for a period of 24 months from closing. The Agent will also be paid a corporate finance fee of $20,000 plus applicable taxes, of which $10,000 was paid upon signing of the agreement and $10,000 will be paid on the closing of the IPO. The Company will also reimburse the agent for expenses incurred pursuant to the Offering, subject to a cap of $25,000 and the Company also agreed to issue the Agent 100,000 common shares, valued at $10,000 as a corporate finance fee and pay the applicable taxes in cash.

Results of Operations

The Company has not generated any revenues since inception from its planned operations and has incurred losses primarily from the deferred exploration and acquisition costs associated with ongoing project generation, and general and administrative expenses.

As at July 31, 2022, the Company had total assets of $212,129 (July 31, 2021 - $218,332). As at July 31, 2022, the Company had current liabilities of $191,244 (July 31, 2021 – $68,000).

Year ended July 31, 2021 and for the period from incorporation on September 8, 2020 to July 31, 2021:

During the year ended July 31, 2022 ("**2022**") the Company reported a net loss of $165,447 compared to $68,168 for the period from incorporation on September 8, 2020 to July 31, 2021 ("**2021**"). General expenses with significant changes include:

- Management fees increased to $48,000 in 2022 (2021 – $46,000). Management fee's were charged by the Company's CEO and an external management company. Fees charged were consistent with the prior year.

- Office and rent increased to $27,602 in 2022 (2021 – $7,168), due to the increase in corporate costs related to the preparation and filing of the preliminary prospectus.

- Professional fees increased to $89,845 (2021 – $15,000), due to the increase in legal and accounting activity related to the preparation of the preliminary prospectus.

Three months ended July 31, 2022 and 2021:

During the three-month period ended July 31, 2022 ("Q4-2022") the Company reported a net loss of $98,798 compared to $39,003 for the three-month period ended July 31, 2021 ("Q4-2021"). General expenses with significant changes include:

- Management fees decreased to $12,000 in Q4-2022 (Q4-2021 – $21,000) due to the Company's CEO ceasing billing during the year ended July 31, 2022.

- Office and rent increased to $15,822 in Q4-2022 (Q4-2021 – $3,003), due to the increase in corporate costs related to the preparation and filing of the preliminary prospectus.

- Professional fees increased to $67,976 in Q4-2022 (Q4-2021 – $15,000), due to the increase in legal and accounting activity related to the preparation of the preliminary prospectus.

Financial Condition, Liquidity, Capital Resources and Financial Instruments

The Company reported working capital deficit of $24,946 as at July 31, 2022 (July 31, 2021 – working capital $135,332) and cash of $161,585 (July 31, 2021 - $203,332). Current liabilities as at July 31, 2022 consisted of accounts payable and accrued liabilities of $191,244 (July 31, 2021 - $68,000).

Operating Activities: The Company does not generate cash from operating activities. Net cash used by the Company for operating activities for the year ended July 31, 2022 was $52,747 (2021 - $168).

Financing Activities: During the year ended July 31, 2022, the Company received $11,000 for financing activities which included 360,000 common shares issued at $0.10 per share for gross proceeds of $36,000 and paid deferred financing costs of $25,000. During the period from incorporation on September 8, 2020 to July 31, 2021 the Company issued an aggregate of 10,250,000 common shares at various prices for aggregate proceeds of $218,500.

The Company has limited working capital to continue administrative operations and development of its exploration asset and may continue to have capital requirements in excess of its currently available resources. The Company intends to raise additional financing either privately or through a public financing. There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

Requirement of Additional Equity Financing

The Company has relied on equity financings and funding contributions from exploration project agreements for all funds raised to date for its operations. The Company will need additional funding to meet its current and further exploration commitments and option payments. Until the Company starts generating profitable operations from exploration development, sale of properties, and sale of minerals, the Company intends to continue relying upon venture partners and the issuance of securities to finance its operations and acquisitions pursuant to private placements, the exercise of warrants and stock options, and short-term or long-term loans. Capital markets may not be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. This may be further complicated by the limited liquidity for the Company's Shares, restricting access to some institutional investors. The Company's growth and success is dependent on external sources of financing which may not be available on acceptable terms.

Summary of Selected Annual Results

This information has been summarized from the Company's audited financial statements for the same period and should be read in conjunction with the Company's audited financial statements, including the notes thereto.

Period	**Year ended July 31, 2022**	**For the period from incorporation on September 8, 2020 to July 31, 2021**
Exploration and evaluation assets	$15,000	$15,000
Total assets	$212,129	$218,332
Total revenue	$nil	$nil
Long-term debt	$nil	$nil
Total loss	($165,447)	($68,168)
Loss per share (basic and diluted) (1)	($0.02)	($0.01)
Dividends declared	Nil	Nil

Note:

(1) Based on weighted average number of common shares issued and outstanding for the period.

Summary of Selected Quarterly Results

The following table sets forth select unaudited quarterly financial information for each of the last 5 most recently completed financial periods.

	July 31, 2022	April 30, 2022	January 31, 2022	October 31, 2021
Total revenue	$ -	$ -	$ -	$ -
Total loss	(95,798)	(12,185)	(23,946)	(33,518)
Loss per share (basic and diluted)	(0.01)	(0.00)	(0.00)	(0.00)
Total assets	212,129	295,452	268,246	218,314
	July 31, 2021	**April 30, 2021**	**January 31, 2021**	**October 31, 2020***
Total revenue	$ -	$ -	$ -	$ -
Total loss	(39,003)	(24,128)	(5,037)	-
Loss per share (basic and diluted)	(0.01)	(0.00)	(0.00)	(0.00)
Total assets	218,332	218,350	190,978	1

*For the period from incorporation on September 8, 2020 to October 31, 2020.

For the quarters ended October 31, 2021, January 31, 2022, and April 30, 2022, net losses were consistent, mostly due to the day-to-day costs of accounting, legal, management and office rent. During the quarter ended July 31, 2022, the increase in net loss is attributable to the increase in legal fees associated with the preparation of the Preliminary Prospectus.

Off Balance Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Additional Disclosure for Venture Issuers Without Significant Revenue

The following is a breakdown of the material components of the Company's capitalized exploration costs for the year ended July 31, 2022.

Broken Handle Agreement

The Company entered into an agreement (the "**Broken Handle Agreement**") with Origen Resources Inc. (the "**Optionor**") on December 15, 2020 and subsequently amended on April 13, 2022. Pursuant to the Broken Handle Agreement, the Optionor granted an option to the Company (the "**Option**"), which consists of the sole and exclusive right and option to acquire 75% right, title and interest (the "**Acquired Interest**") in and to a single mineral claim with an area of 2098.33 hectares located near the town of Grand Forks in southern British Columbia (the "**Broken Handle Project**") subject to a 1.5% net smelter return ("**NSR**") royalty on the Acquired Interest (the "**Optionor 1.5% NSR**"). Upon exercise of the Option, the Optionor shall cause the Company to be recorded as the registered owner of the Broken Handle Project. The Broken Handle Project is subject to a 1% NSR ("**1% NSR**") payable to an arm's-length private company.

In order to exercise the Option for the Broken Handle Project, the Company must

a. pay the Optionor $15,000 (paid) upon signing of the Broken Handle Agreement;

b. pay the Optionor $25,000 and issue to the Optionor 150,000 Shares within 15 days of the Exchange's approval and acceptance of the option agreement (the "**Exchange Approval Date**");

c. issue to the Optionor 200,000 Shares on or before 12 months after the Exchange Approval Date;

d. pay the Optionor $60,000 on or before 18 months of the Exchange Approval Date;

e. pay the Optionor $70,000 and issue to the Optionor 250,000 Shares on or before the second anniversary of the Exchange Approval Date;

f. pay the Optionor $80,000 and issue to the Optionor 400,000 Shares on or before the third anniversary of the Exchange Approval Date;

g. incur $100,000 of exploration expenditures on or before the first anniversary of the Exchange Approval Date; and

h. incur $400,000 of exploration expenditures on or before the third anniversary of the Exchange Approval Date.

In the event that the Exchange Approval Date has not occurred by September 30, 2022, the Company or the Optionor may elect to terminate the agreement.

Upon exercise of the Option, the Company will acquire 75% of the Broken Handle Project subject to the Optionor 1.5% NSR royalty on the Acquired Interest that the Company may repurchase 1% of the 1.5% Optionor NSR within one year of commencement of commercial production by paying to the Optionor $1,000,000. Upon acquiring the 75% interest, the Company and Origen will enter into a joint venture agreement for the purpose of furthering work on the Property. The Company will be the operator of the joint venture. Participation in the joint venture will be subject to dilution relative to proportionate contribution.

The Broken Handle Project is situated in the Boundary District of southern British Columbia, Canada near the town of Grand Forks approximately 320 km's east of Vancouver, British Columbia and close to the Canada-USA border along British Columbia's Provincial Highway 3. The Broken Handle Project is approximately 50 km north of Grand Forks centered on coordinates 399100mE / 5483150mN (NAD 83, Zone 11N: EPSG 26911)) or Latitude 49.505°N and Longitude -118.414°W and straddles NTS Map sheets 082E8 and 082E9.

A technical report prepared by Ken MacDonald, P.Geo., and Patrick McLaughlin, P. Geo., who are each a "Qualified Person" as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects,* was completed in relation to the Broken Handle Project effective August 30, 2022. The Broken Handle Report recommends that the Company conduct a two-phase exploration program comprised of a Phase 1 review of the available data followed by a subsequent Phase 2 exploration program to consist of drilling a number of targets identified in Phase 1.

Exploration Expenditures

Since the Company has entered the Agreement, the Company has not directly incurred any exploration expenditures with regards to the Broken Handle Project.

Future Plans

In relation to the Broken Handle Project, the Company currently plans to follow recommendations made in the Broken Handle Report. The Broken Handle Report recommends that the Company conduct a two-phase exploration program comprised of a Phase 1 review of the available data followed by a subsequent Phase 2 exploration program to consist of drilling a number of targets identified in Phase 1. The estimated budget for Phase 1 is $113,025, and the estimated budget for Phase 2 is $106,183. The Company will make a decision regarding whether to proceed with Phase 2 based on the results from Phase 1.

Critical Accounting Estimates and Judgments

Not applicable for Venture Issuers.

Related Party Transactions

The Company's related parties consist of key management personnel that are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. During the year ended July 31, 2022, the Company incurred $nil (2021 - $18,000) for management fees paid to Daniel Joyce, for his services as an officer of the Company, and $18,000 (2021 - $3,000) for professional fees from Red Fern Consulting Ltd., a company in which Stephen Sulis is an employee and Samantha Shorter is a principal, for CFO services.

As at July 31, 2022, $22,050 was included in accounts payable and accrued liabilities owing to officers and directors of the Company in relation to professional fees and reimbursement of expenses.

Outstanding Share Data

The Company is authorized to issue an unlimited number of Shares without par value, of which 10,610,000 Shares are issued and outstanding as fully paid and non-assessable as of July 31, 2022, and as of the date of this report.

Risks Related to the Business of the Company

COVID-19

An emerging risk is a risk not well understood at the current time and for which the impacts on strategy and financial results are difficult to assess or are in the process of being assessed. Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as COVID-19, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Natural disasters, geopolitical instability or other unforeseen events

In addition to the outbreak of infectious disease or occurrence of pandemics, such as the recent outbreak of COVID-19; natural disasters; terrorism or other unanticipated events, in any of the areas in which the Company operates could cause interruptions in the Company's operations. Natural disasters, geopolitical tensions and instability (including terrorism) or other unforeseen events could negatively affect project development, operations, labour supply and financial markets, all or any of which could have a material adverse effect on the Company's business, financial condition, operational results or cash flows.

Lack of Revenue

As the Company does not have revenues, it will be dependent upon future financings to continue its plan of operation. The Company has not generated any revenues since incorporation. The Company's business objectives include the implementation and execution of exploration programs on the Broken Handle Project. There is no assurance that these exploration activities will result in the establishment of commercially exploitable mineral deposits on the Broken Handle Project. Even if commercially exploitable mineral deposits are discovered, the Company may require substantial additional financing in order to carry out the full exploration and development of the Broken Handle Project before the Company is able to achieve revenues from sales of mineral resources that the Company is able to extract. There is no assurance the Company will have the funds required to pay annual fees to keep its properties in good standing and to make option payments to keep certain property agreements in good standing.

Negative Operating Cash Flow

The Company has negative operating cash flow. The failure of the Company to achieve profitability and positive operating cash flows could have a material adverse effect on the Company's financial condition and results of operations. To the extent that the Company has negative cash flow in future periods, the Company may need to deploy a portion of its cash reserves to fund such negative cash flow. The Company expects to continue to sustain operating losses in the future until it generates revenue from the commercial production of its properties. There is no guarantee that the Company will ever be profitable.

Use of Funds

The Company's management has significant flexibility in applying the proceeds received from the Offering. Because a portion of the proceeds are not allocated to any specific purpose, investment or transaction, you cannot determine the value or propriety of management's application of the proceeds on the Company's behalf.

Absence of Prior Public Market and Volatility of Share Prices

There has been no prior public market for the Company's Shares, and an active trading market may not develop or, if it does develop, may not be sustained. The lack of an active market may impair shareholders' ability to sell their Shares at the time they wish to sell them or at a price that they consider reasonable.
The lack of an active market may also reduce the fair market value and increase the volatility of the Shares. In the past, some companies have experienced volatility in their share value and have been the subject of securities class action litigation. The Company might become involved in securities class action litigation in the future. Such litigation often results in substantial costs and diversion of management's attention and resources and could have a negative effect on the Company's business and results of operation.

An inactive market may also impair the Company's ability to raise capital by selling Shares and to acquire other exploration properties or interests by using its Shares as consideration.

The Company may not be able to obtain sufficient financing to pursue all of its intended exploration activities or continue on a going concern basis

The Company's primary sources of capital resources are comprised of cash and cash equivalents and the issuance of securities. The Company will continuously monitor its capital structure and, based on changes in operations and economic conditions, may adjust the structure by issuing new shares as necessary. The recoverability of the carrying values of the Company's assets is dependent upon the ability of the Company to obtain the necessary financing to complete exploration activities.

While the Company has been successful in securing financing to date, there are no guarantees that it will be able to secure such financing in the future on terms acceptable to the Company, if at all. If the Company is unable to raise sufficient capital to fund all of its intended exploration activities, expenditures may be limited to the recommended work program on the Broken Handle Project. In the event that the Company is unable to fulfill its commitments under its various option agreements as a result of lack of funds or otherwise, the Company may lose its rights and interests in some or all of its properties. This could, in turn have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Conflicts of Interest

Certain of the directors and officers of the Company are also directors and officers of other resource companies involved in the mining industry and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as apply under the BCBCA.

Dependence on Key Personnel

The Company's success is highly dependent upon the performance of key personnel working part-time in management, supervisory and administrative capacities or as consultants. The loss of the services of its senior management or key personnel could have a material and adverse effect on the Company and its business and results of operations. The Company does not maintain key person insurance.

Reliance on Independent Contractors

The Company's success depends to a significant extent on the performance and continued service of independent contractors. The Company will contract the services of professional drillers and others for exploration, environmental, construction and engineering services. Poor performance by such contractors or the loss of such services could have a material and adverse effect on the Company and its business and results of operations and could result in failure to meet its business objectives.

Insurance

The Company may not always be able or may choose not to obtain insurance for many of the risks that it faces. In the course of exploration, development and production of mineral properties, several risks and, in particular, unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in an increase in costs and a decline in the value of the Company's securities. The Company is currently not insured against environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. The Company will periodically evaluate the cost and coverage of the insurance that is available against certain environmental risks to determine if it would be appropriate to obtain such insurance. Without such insurance, and if the Company becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate the Company's available funds or could exceed the funds it has to pay such liabilities and result in bankruptcy. Should the Company be unable to fund fully the remedial cost of an environmental problem, the Company might be required to enter into interim compliance measures pending completion of the required remedy.

Tax Issues

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

Liquidity

The possible sale of Shares released from escrow on each release date could negatively affect the market price of the Company's Shares and also result in an excess of sellers of Shares to buyers of Shares and seriously affect the liquidity of the Shares.

Unlimited Number of Authorized but Unissued Shares

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

A purchaser of the Offered Shares under the Offering will purchase such Offered Shares at a substantial premium to the current book value per Offered Share

The Offering Price of $0.10 per Offered Share is substantially higher than the current book value per share of the Shares issued prior to the completion of the Offering. As a result, purchasers of Offered Shares pursuant to the Offering will experience immediate dilution. Stock exchange listing is not certain.

The Company proposes to list the Shares distributed under this Prospectus as well as its existing issued and outstanding Shares on the CSE. Such listing will be subject to the Company fulfilling all the listing requirements of the CSE. If the Company fails to list the Shares on the CSE, the liquidity for its Shares would be significantly impaired, which may substantially decrease the trading price of the Shares.

In addition, in the future, the Company's securities may fail to meet the continued listing requirements to be listed on the CSE. If the CSE delists the Shares from trading on its exchange, the Company could face significant material adverse consequences, including:

- a limited availability of market quotations for the Shares;
- a limited amount of news and analyst coverage for the Company; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

The Company is not likely to pay dividends for an extended period of time

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on its Shares. The Company anticipates that, for the foreseeable future, it will retain its cash resources for the operation and development of its business. The declaration and payment of any dividends in the future is at the discretion of the Board and will depend on a number of factors, including compliance with applicable laws, financial performance, working capital requirements of the Company and such other factors as its directors consider appropriate, and the Company may never pay dividends.

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 Shares could decline

The trading market for the Shares will depend on the research and reports that securities or industry analysts publish about the Company and its business. The Company does not have any control over these analysts. The Company cannot assure that analysts will cover it or provide favourable coverage. If one or more of the analysts who cover the Company downgrade its stock or reduce their opinion of the value of the Shares, the price of Shares would likely decline. If one or more of these analysts cease coverage of the Company or fail to regularly publish reports, the Company could lose visibility in the financial markets, which could cause the price and trading volume of the Shares to decline.

Issuance of Debt

From time to time, the Company may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed partially or wholly with debt, which may increase the Company's debt levels above industry standards. The Company's articles do not limit the amount of indebtedness that the Company may incur. The level of the Company's, indebtedness from time to time could impair the Company's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.

No History of Earnings

The Company has no history of earnings. The Company expects that it will continue to incur losses unless and until it enters into commercial production and generates sufficient revenues to fund operations. There is no assurance that its properties or any other properties it may acquire or obtain hereafter will generate any earnings, operate profitably or provide a return on investment in the future.

Future acquisitions may require significant expenditures and may result in inadequate returns

The Company may seek to expand through future acquisitions; however, there can be no assurance that the Company will locate attractive acquisition candidates, or that the Company will be able to acquire such candidates on economically acceptable terms, if at all, or that the Company will not be restricted from completing acquisitions pursuant to the terms and conditions from time to time of arrangements with third parties, such as the Company's creditors. Future acquisitions may require the Company to expend significant amounts of cash, resulting in the Company's inability to use these funds for other business or may involve significant issuances of equity or debt. Future acquisitions may also require substantial management time commitments, and the negotiation of potential acquisitions and the integration of acquired operations could disrupt the Company's business by diverting management and employees' attention away from day-to-day operations. The difficulties of integration may be increased by the necessity of coordinating geographically diverse organizations, integrating personnel with disparate backgrounds and combining different corporate cultures.

Any future acquisition involve potential risks, including, among other things: (i) mistaken assumptions and incorrect expectations about mineral properties, existing or potential mineral resources, mineral reserves and costs; (ii) an inability to successfully integrate any operation the Company acquired or acquires, as applicable; (iii) an inability to recruit, hire, train or retain qualified personnel to manage and operate the operations acquired; (iv) the assumption of unknown liabilities; (v) mistaken assumptions about the overall cost of equity or debt; (vi) unforeseen difficulties operating acquired projects, which may be in geographic areas new to the Company; and (vii) the loss of key employees and/or key relationships at the acquired project. In addition, competition for assets sometimes requires that acquisitions be completed on an "as is where is" basis, and therefore the Company would have no rights of recourse and indemnities against the sellers. Future acquisition candidates may have liabilities or adverse operating issues that the Company failed or fails to discover through due diligence prior to the acquisition. If the Company consummates any future acquisitions with, unanticipated liabilities or adverse operating issues or if acquisition-related expectations are not met, the Company's business, results of operations, cash flows, financial condition or prospects may be materially adversely affected. The potential impairment or complete write-off of goodwill and other intangible assets related to any such acquisition may reduce the Company's overall earnings and could negatively affect the Company's balance sheet.

The Company may expand into other geographic areas, which could increase the Company's operational, regulatory and other risks

While currently all of the Company's mining and exploration activities are in Canada, the Company may in the future expand into other geographic areas, which could increase the Company's operational, regulatory, compliance, reputational and foreign exchange rate risks. The failure of the Company's operating infrastructure to support such expansion could result in operational failures and regulatory fines or sanctions. Future international expansion could require the Company to incur a number of up-front expenses, including those associated with obtaining regulatory approvals, as well as additional ongoing expenses, including those associated with infrastructure, staff and regulatory compliance. The Company may not be able to successfully identify suitable acquisition and expansion opportunities, or integrate such operations successfully with the Company's existing operations.

The Company may be subject to costly legal proceedings

The Company may be subject to regulatory investigations, civil claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in regulatory actions and litigation, the difficulty of predicting decisions of regulators, judges and juries and the possibility that decisions may be reversed on appeal. Defense and settlement costs of legal disputes can be substantial, even with claims that have no merit. Management is committed to conducting business in an ethical and responsible manner, which it believes will reduce the risk of legal disputes. However, if the Company is subject to legal disputes, there can be no assurances that these matters will not have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company will incur increased costs as a result of complying with the reporting requirements, rules and regulations affecting public issuers

As a public issuer, the Company will be subject to the reporting requirements and rules and regulations under the applicable Canadian securities laws and rules of any stock exchange on which the Company's securities may be listed from time to time. Additional or new regulatory requirements may be adopted in the future. The requirements of existing and potential future rules and regulations will increase the Company's legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly and may also place undue strain on its personnel, systems and resources, which could adversely affect its business and financial condition.

In particular, as a result of the Offering, the Company will become subject to reporting and other obligations under applicable Canadian securities laws, including National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*. These reporting and other obligations will place significant demands on the Company as well as on the Company's management, administrative, operational and accounting resources.

Information technology

The Company relies on information technology systems and any inadequacy, failure, interruption or security breaches of those systems may harm its ability to effectively operate the business. The Company is dependent on various information technology systems, including, but not limited to, networks, applications and outsourced services in connection with the operation of the business. A failure of the Company's information technology systems to perform as it anticipates could disrupt the business and cause the business to suffer. In addition, the Company's information technology systems may be vulnerable to damage or interruption from circumstances beyond its control, including fire, natural disasters, systems failures, viruses and security breaches. Any such damage or interruption could have a material adverse effect on the business.

Cybersecurity incidents and technological disruptions

A cybersecurity incident or other technology disruptions could negatively impact the business and its reputation. The Company uses computers in substantially all aspects of business operations. It also uses mobile devices, social networking, cloud services and other online activities to connect with employees and contractors. Such uses give rise to cybersecurity risks, including security breaches, espionage, system disruption, theft and inadvertent release of information.

Climate change

Climate change may negatively affect the Company's business and operations. There is concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters.

Risks Related to Exploration and Mining

Exploration and Development

Resource exploration is a speculative business and involves a high degree of risk. There is no known body of commercial ore on the Broken Handle Project and there is no certainty that the expenditures made by the Company in the exploration of the Broken Handle Project or otherwise will result in discoveries of commercially recoverable quantities of minerals. The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Although the discovery of an ore body may result in substantial rewards, few properties explored are ultimately developed into producing mines. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation.

There is no assurance that the Broken Handle Project possesses commercially mineable bodies of ore. The Broken Handle Project is in the exploration stage as opposed to the development stage and has no known body of economic mineralization. The known mineralization of the Broken Handle Project has not been determined to be economic ore and there can be no assurance that a commercially mineable ore body exists on the Broken Handle Project. Such assurance will require completion of final comprehensive feasibility studies and, possibly, further associated exploration and other work that concludes a potential mine is likely to be economic. In order to carry out exploration and development programs of any economic ore body and place it into commercial production, the Company may be required to raise substantial additional funding.

Significant capital investment is required to discover commercial ore and to commercialize production from successful exploration efforts. The commercial viability of a mineral deposit is dependent upon a number of factors. These include: (i) deposit attributes such as size, grade and proximity to infrastructure, (ii) current and future metal prices (which can be cyclical), and (iii) government regulations, including those relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and necessary supplies and environmental protection. The complete effect of these factors, either alone or in combination, cannot be entirely predicted, and their impact may result in the Company not receiving an adequate return on invested capital.

Market fluctuations and the prices of metals may render resources uneconomic. Moreover, short-term operating factors relating to the mineral deposits, such as the need for orderly development of the deposits or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any particular accounting period.

Mining operations are risky

The Company's current business, and any future development or mining operations, involve various types of risks and hazards typical of companies engaged in the mining industry. Such risks include, but are not limited to: (i) industrial accidents; (ii) unusual or unexpected rock formations; (iii) structural cave-ins or slides and pitfall, ground or slope failures and accidental release of water from surface storage facilities; (iv) fire, flooding and earthquakes; (v) rock bursts; (vi) metal losses in handling and transport; (vii) periodic interruptions due to inclement or hazardous weather conditions; (viii) environmental hazards; (ix) discharge of pollutants or hazardous materials; (x) failure of processing and mechanical equipment and other performance problems; (xi) geotechnical risks, including the stability of the underground hanging walls and unusual and unexpected geological conditions; (xii) unanticipated variations in grade and other geological problems, water, surface or underground conditions; (xiii) labour disputes or slowdowns; (xiv) work force health issues as a result of working conditions; and (xv) force majeure events, or other unfavourable operating conditions.

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

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

Operations during mining cycle peaks are more expensive

During times of increased demand for metals and minerals, price increases may encourage expanded mining exploration, development and construction activities. These increased activities may result in escalating demand for and cost of contract exploration, development and construction services and equipment. Increased demand for and cost of services and equipment could cause exploration, development and construction costs to increase materially, resulting in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and increased potential for scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, development or construction costs, result in project delays, or increase operating costs.

Acquisition of Additional Mineral Properties

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

Title

There is no assurance that the Company's title to its properties will not be challenged. The acquisition of title to mineral exploration properties is a very detailed and time-consuming process. Title to and the area of mineral properties may be disputed. While the Company has diligently investigated title to its properties, it may be subject to prior unregistered agreements or transfers or indigenous land claims and title may be affected by undetected defects. Consequently the boundaries may be disputed.

Surface Rights

Permission for surface access must be negotiated with the owners of the surface rights to the areas covered by the mining concessions, and commonly involve leasing of the surface rights. The Company currently does not have any agreements in place regarding the Broken Handle Project, and there is no guarantee the Company will be able to negotiate and enter into any such agreement as may be required to have access to do significant work. Further, there are potential risks with regard to the completion of a successful exploration program in that there is a possibility of not being able to enter into a surface access agreement over part of the area of interest, or problems with obtaining an environmental permit for road construction and drilling.

Permits and Licenses

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

The costs associated with compliance with these laws and regulations and of obtaining licenses and permits are substantial, and possible future laws and regulations, changes to existing laws and regulations and more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the development of its properties. There is no assurance that future changes in such laws and regulations, if any, will not adversely affect the Company's operations. Moreover, these laws and regulations may allow governmental authorities and private parties to bring lawsuits based upon damages to property and injury to persons resulting from the environmental, health and safety practices of the Company's past and current operations, or possibly even the actions of former property owners, and could lead to the imposition of substantial fines, penalties or other civil or criminal sanctions. The Company may fail to comply with current or future laws and regulations. Such non-compliance can lead to financial restatements, civil or criminal fines, penalties, and other material negative impacts on the Company.

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

Social and environmental activism can negatively impact exploration, development and mining activities

There is an increasing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and 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 operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Competitive Nature of the Mining Industry

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

Environmental, Health and Safety Regulation of Resource Industry

The operations of the Company require permits from various levels of government. Such operations are subject to laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. The Company believes it is in substantial compliance with all material laws and regulations that currently apply to its activities. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations, particularly environmental permits, will be obtainable on reasonable terms or that compliance with such laws and regulations would not have an adverse effect on the profitability of any mining project that the Company might undertake.

All phases of the Company's operations are subject to environmental regulations in various jurisdictions. If the Company's properties are proven to host economic reserves of metals, mining operations will be subject to federal, state and local laws relating to the protection of the environment, including laws regulating removal of natural resources from the ground and the discharge of materials into the environment. Mining operations will be subject to federal, state and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of mining methods and equipment. Various permits from government bodies are required for mining operations to be conducted; no assurance can be given that such permits will be received. No assurance can be given that environmental standards imposed by federal, state or local authorities will not be changed or that any such changes would not have material adverse effects on the Company's activities. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on the Company. Additionally, the Company may be subject to liability for pollution or other environmental damage, which it may not be able to insure against.

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 the 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 production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Aboriginal rights claims may impact the Company's interest in the Broken Handle Project

Aboriginal rights, including Aboriginal title, may be asserted on Crown land or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's 2014 decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared Aboriginal title. Rights conferred by Aboriginal title include the right to decide how the land will be used, the right to enjoy, occupy and possess the land, and the right to proactively use and manage the land, including its natural resources. The Broken Handle Project may now or in the future be subject to Aboriginal title claims or claims of other Aboriginal rights.

Aboriginal rights are a matter of considerable complexity, and their impact on the Company's potential ownership interest in the Broken Handle Project cannot be predicted with any degree of certainty. No assurance can be given that recognition of Aboriginal rights in the area in which the Broken Handle Project is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of Aboriginal rights and interests in order to facilitate exploration and development work on the Broken Handle Project. There is no assurance that the Company will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop the Broken Handle Project.

The Company may be negatively impacted by changes to mining laws and regulations

The Company's activities are subject to various laws governing prospecting, exploration, development, production, taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Mining, exploration and development activities are also subject to various laws and regulations relating to the protection of the environment. Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of the Company's properties. Amendments to current laws and regulations governing the Company's operations and activities or more stringent implementation of such laws and regulations could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Availability of Drilling Equipment and Access Restrictions

Mining exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Company and may delay exploration and development activities. 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.

The Broken Handle Project is located in an underdeveloped rural area

The Broken Handle Project is located in an underdeveloped rural area, resulting in technical challenges for conducting mineral exploration and development and any potential mining activities at the property. The Company benefits from modern mining transportation skills and technologies for exploring and operating in such areas. Nevertheless, the Company may sometimes be unable to overcome problems related to underdevelopment or unseasonable weather at a commercially reasonable cost, which could negatively affect the Company's mineral exploration and development and any potential mining activities at the property and have a material adverse effect on the Company. The rural location of the Broken Handle Project also results in increased costs associated with land access and infrastructure, including powerlines, water pipelines and transportation.

Stress in the Global Economy

Reduction in credit, combined with reduced economic activity and the fluctuations in either or both of the Canadian dollar and the United States dollar, may adversely affect businesses and industries that purchase commodities, affecting commodity prices in more significant and unpredictable ways than the normal risks associated with commodity prices. The availability of services such as drilling contractors and geological service companies and/or the terms on which these services are provided may be adversely affected by the economic impact on the service providers. The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Company's business, operating results, and financial condition.

Current Global Financial Condition

Global financial conditions may be characterized by extreme volatility. Global financial conditions could suddenly and rapidly destabilize in response to future economic shocks, as government authorities may have limited resources to respond to future crises. Future economic shocks may be precipitated by a number of causes, such as a rise in the price of oil, geopolitical instability, natural disasters, worsening of COVID-19 or other pandemics and other unforeseen events. Any sudden or rapid destabilization of global economic conditions could impact the Company's ability to obtain equity or debt financing in the future on terms favourable to the Company. Additionally, any such occurrence could cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses and ultimately have a material adverse effect the Company's business, operations and financial condition.

Furthermore, general market, political and economic conditions, including, for example, inflation, interest and currency exchange rates, structural changes in the global mining industry, global supply and demand for commodities, political developments, legislative or regulatory changes, civil, political or labour unrest and stock market trends will affect the Company's operating environment and its operating costs, profit margins and share price. Any negative events in the global economy could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. However, no assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations, repatriation of income and return of capital. This may affect both the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Fluctuating Mineral Prices

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have historically fluctuated widely. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

Forward Looking Statements

This MD&A contains certain statements that may constitute "forward looking statements". Forward looking statements include but are not limited to, statements regarding future anticipated business developments and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

This MD&A includes, but is not limited to, forward-looking statements regarding the Company's plans for upcoming exploration work on the Company's exploration properties, and the Company's ability to meet its working capital needs for the next fiscal year.

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

CERTIFICATE OF THE COMPANY

Dated: September 8, 2022

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

(Signed) "*Daniel Joyce*" Daniel Joyce Chief Executive Officer, President and Director	(Signed) "*Stephen Sulis*" Stephen Sulis Chief Financial Officer and Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

(Signed) "*Neil MacRae*" Neil MacRae Director	(Signed) "*Samantha Shorter*" Samantha Shorter Director

CERTIFICATE OF THE PROMOTER

Dated: September 8, 2022

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

(Signed) "*Neil MacRae*"
Neil MacRae

CERTIFICATE OF THE AGENT

Dated: September 8, 2022

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

HAYWOOD SECURITIES INC.

Per: (Signed) "*David A. Taylor*"
Name: David A. Taylor
Title: Associate Corporate Finance